Journal of the House

State of Indiana

119th General Assembly *First Regular Session*

Fifty-first Day **Tuesday Morning** **April 28, 2015**

The invocation was offered by Pastor Eric Dubach of Brookside Church in Ft. Wayne, a guest of Representative Casey B. Cox.

The House convened at 1:30 p.m. with Speaker Brian C. Bosma in the Chair.

The Pledge of Allegiance to the Flag was led by Representative Casey B. Cox.

The Speaker ordered the roll of the House to be called:

Arnold
Austin ☐
Aylesworth
Bacon
Baird ☐
Bartlett
Bauer
Behning
Beumer ☐
Borders
Braun ☐
C. Brown
T. Brown ☐
Burton ☐
Carbaugh ☐
Cherry ☐
Clere
Cook
Cox
Culver
Davisson ☐
DeLaney
Dermody
DeVon
Dvorak ☐
Eberhart
Errington
Fine
Forestal
Friend
Frizzell
Frye
GiaQuinta
Goodin
Gutwein
Hale
Hamm
Harman
D. Harris
Heaton
Huston ☐
Judy
Karickhoff ☐
Kersey
Kirchhofer
Klinker
Koch ☐
Lawson
Lehe
Lehman
Leonard ☐
Lucas
Macer
Mahan
Mayfield ☐
McMillin ☐
McNamara
D. Miller
Moed
Morris
Morrison
Moseley
Negele ☐
Niezgodski
Nisly
Ober
Olthoff
Pelath
Pierce ☐
Porter
Price
Pryor
Rhoads
Richardson
Riecken
Saunders
Schaibley
Shackleford
Slager ☐
Smaltz
M. Smith
V. Smith
Soliday ☐
Speedy
Stemler
Steuerwald ☐
Sullivan ☐
Summers
Thompson
Torr ☐
Truitt ☐
Ubelhor ☐
VanNatter
Washburne
Wesco
Wolkins ☐
Wright
Zent
Ziemke
Mr. Speaker

Roll Call 545: 74 present; 26 excused. The Speaker announced a quorum in attendance. [*NOTE*: ☐ *indicates those who were excused*.]

RESOLUTIONS ON FIRST READING

House Resolution 74

Representative Gutwein introduced House Resolution 74:

A HOUSE RESOLUTION recognizing Ann Krygier on the occasion of her 100th birthday.

Whereas, On May 4, 2015, Ann Krygier will celebrate her 100th birthday;

Whereas, Born to Joseph and Mary Duhom, Ann Krygier was one of five children with siblings John, Steve, Mike, and Mary;

Whereas, Ann Krygier married her husband, Stanley Krygier, in 1936, a union that lasted 36 years;

Whereas, Together Ann and Stanley had two children – Robert and Patricia;

Whereas, Ann Krygier has 10 grandchildren and seven great-grandchildren;

Whereas, During their marriage, Stanley was a supervisor at Standard Oil Company of America and Ann was a cook;

Whereas, The people of Indiana take pride in the accomplishments, wisdom, and experiences of the senior citizens of their state; and

Whereas, It is a pleasure to honor those who are beginning the second century of their lives: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives congratulates Ann Krygier on her 100th birthday and anticipates her celebrating many more. We wish her happiness and good health in the years to come.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Ann Krygier and her family.

The resolution was read a first time and adopted by voice vote.

House Resolution 75

Representatives McNamara, Washburne, Sullivan and Bacon introduced House Resolution 75:

A HOUSE RESOLUTION recognizing Bosse Field on the occasion of its 100th anniversary.

Whereas, Home to the Evansville Otters of the Independent Frontier League, Bosse Field opened in 1915 and was the first municipally owned sports facility in the United States;

Whereas, Bosse Field was named in honor of Benjamin Bosse, mayor of Evansville from 1914 to 1922, who bought Garvin Park and helped to build the stadium;

Whereas, There are only two fields older than Bosse Field - Boston's Fenway Park (1912) and Chicago's Wrigley Field (1914);

Whereas, In addition to the Evansville Otters, the Evansville Triplets (1970-1984), Evansville Braves (1946-1957), Evas/Pocketeers/Hubs (1916-1931), and the Evansville River Rats (1913-1915) have all played at Bosse Field;

Whereas, The River Rats played in Evansville previously from 1901 to 1910, the Triplets won American Association titles in 1972, 1975, and 1979, the River Rats won the Central League title in 1908 and 1915, and the Braves won the Three-I League title in 1946, 1948, 1956, and 1957;

Whereas, Baseball Hall of Famers Hank Greenberg, Chuck Klein, Edd Roush, Warren Spahn, and Sam Thompson all played at Bosse Field during their careers;

Whereas, There have been more than 20 players from Evansville who went on to play in the major leagues and dozens who played in the minor leagues;

Whereas, In addition to its colorful baseball history, from 1921 to 1922 Bosse Field was used as a football stadium and was home to the Evansville Crimson Giants of the National Football League; and

Whereas, Baseball and Bosse Field have influenced the lives of numerous Hoosiers and brought them hours of pleasure: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives wishes to acknowledge the part that Evansville's Bosse Field has played in the history of our state and to congratulate its administration on the 100th anniversary of its establishment.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the administration of Bosse Field.

The resolution was read a first time and adopted by voice vote.

House Resolution 76

Representatives Harris and Slager introduced House Resolution 76:

A HOUSE RESOLUTION urging the legislative council to assign to the appropriate study committee the task of studying the establishment of a professional sports development commission to coordinate the development of facilities and professional sports franchises in northwest Indiana.

Whereas, If established, a professional sports development commission could study various plans and recommendations that are proposed with respect to attracting a professional sports franchise to Northwest Indiana; and

Whereas, A professional sports franchise could provide a much needed economic stimulus to Northwest Indiana: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the legislative council is urged to assign to the appropriate study committee the task of studying the establishment of a professional sports development commission to coordinate the development of facilities and professional sports franchises in Northwest Indiana.

The resolution was read a first time and referred to the Committee on Rules and Legislative Procedures.

House Resolution 77

Representative Bartlett introduced House Resolution 77:

A HOUSE RESOLUTION urging the Legislative Council to assign to an appropriate study committee the topic of the causes of violence and violent crime in Indiana.

Whereas, Violence and violent crime continue to negatively affect the people of Indiana; and

Whereas, An understanding of the root causes of violence and violent crime will require the input of numerous and varied stakeholders, including educators, law enforcement officers, prosecutors, religious leaders, community health officials (both physical and mental health), chemists, neighborhood leaders, economists, criminologists, members of the judiciary, and parents: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Legislative Council is urged to assign to an appropriate study committee the topic of the causes of violence and violent crime in Indiana.

The resolution was read a first time and referred to the Committee on Rules and Legislative Procedure.

House Resolution 78

Representative Riecken introduced House Resolution 78:

A HOUSE RESOLUTION urging the legislative council to assign to the appropriate study committee the topic of the use of enterprise zone monies for public transportation.

Whereas, An enterprise zone is a specific geographic area targeted for economic revitalization through the use of economic incentives;

Whereas, Most incentives provided to enterprise zones to encourage business investment and job creation are tax credits;

Whereas, These tax credits include an inventory tax credit, investment cost credit, employment expense credit, loan interest credit, property tax investment deduction, and gross income tax exemption;

Whereas, Publicly provided services, such as transportation (roads and public transit), can directly or indirectly support business;

Whereas, Today there is a push in Indiana to improve the state's public transportation system in the hope of keeping Indiana's best and brightest here at home; and

Whereas, Efficient public transportation systems help to create jobs throughout our state: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the legislative council is urged to assign to the appropriate study committee the topic of the use of enterprise zone monies for public transportation.

The resolution was read a first time and referred to the Committee on Rules and Legislative Procedure.

Senate Concurrent Resolution 55

The Speaker handed down Senate Concurrent Resolution 55, sponsored by Representative Pryor:

A CONCURRENT RESOLUTION congratulating former Indiana State Senator Billie Breaux for her decades of public service.

Whereas, Billie Breaux is the daughter of Otha Fuller, Sr. and Pearl Fuller and was born the seventh of nine children;

Whereas, Billie graduated from West Virginia State and began working as a legal secretary for the law firm of Richardson, Hosea, Lewis, and Allen, the first integrated law firm in Indianapolis;

Whereas, While working for the firm, Billie was mentored and encouraged by former state legislator Henry J. Richardson, Jr. and his wife Rosalyn, who were committed community activists;

Whereas, When Billie Breaux's daughter was in the second grade, Billie became disappointed with the education her daughter was receiving and promptly made the decision to utilize her degree to become an educator;

Whereas, Billie later earned her masters degree in education from Indiana University;

Whereas, In search of educational reform, Billie became an activist with the Indianapolis Education Association and later became its first two-term president;

Whereas, Billie was instrumental in the recognition of Martin Luther King, Jr. Day as a celebrated holiday and she served as Chair of the IEA's first Martin Luther King, Jr. Day celebration;

Whereas, As an educational activist, Billie advocated for better funding of urban schools and fought against the lack of support given to education from the state legislature;

Whereas, For eight years, Billie served as Marion County Auditor and became the first African-American woman to be elected to a county-wide office;

Whereas, After serving as an ad hoc advisor for then state legislator Julia Carson, Billie succeeded her in office in 1990;

Whereas, As a legislator, Billie gave a strong voice to educational reform, children, working Hoosiers, the elderly, and the disabled;

Whereas, Billie is the recipient of numerous awards, including being named the freshman legislator of the year;

Whereas, Throughout her tenure, Billie gained the support and respect of her constituents and colleagues on both sides of the aisle;

Whereas, Billie retired from IPS after more than thirty years of service, from the Indiana State Senate after sixteen years of service, and as Marion County Auditor after eight years of service; and

Whereas, The Indiana General Assembly wishes to celebrate Billie Breaux for her tremendous public service and substantial commitment to the State of Indiana upon her final retirement: Therefore,

Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly congratulates and honors Billie Breaux for her decades of public service.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to Billie Breaux.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

ACTION ON CONFERENCE COMMITTEE REPORT

CONFERENCE COMMITTEE REPORT
EHB 1603–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1603 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-1-25 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: **Sec. 25. If a deadline imposed upon a political subdivision, the department of local government finance, or the Indiana board by this article is not a business day, the last day for the political subdivision, the department of local government finance, or the Indiana board to take the action required by this article is the first business day after the stated deadline.**

SECTION 2. IC 6-1.1-15-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: **Sec. 10.5. (a) The fiscal officer of a taxing unit may establish a separate fund known as the property tax assessment appeals fund to hold property tax receipts that are attributable to an increase in the taxing unit's tax rate caused by a reduction in the taxing unit's net assessed value under IC 6-1.1-17-0.5.**

(b) Money in a taxing unit's property tax assessment appeals fund may be used only to pay the following:

(1) Expenses incurred by a county assessor in defending appeals prosecuted under this chapter with respect to property located in the taxing unit.

(2) Refunds under section 11 of this chapter.

(c) The balance in a taxing unit's property tax assessment appeals fund may not exceed five percent (5%) of the amount budgeted by the taxing unit for a particular year.

(d) Money deposited in a taxing unit's property tax assessment appeals fund is not considered miscellaneous revenue. Both the taxing unit and the department of local government finance shall disregard any balance in the taxing unit's property tax assessment appeals fund in the determination of the taxing unit's property tax levy, property tax rate, and budget (except for appropriations for the purposes permitted by subsection (b)) for a particular calendar year.

SECTION 3. IC 6-1.1-15-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: **Sec. 19. (a) A county assessor shall quarterly send a notice to the fiscal officer of each taxing unit affected by an appeal prosecuted under this chapter, including the fiscal officer of an affected redevelopment commission established under IC 36-7. The notice must include the following information:**

(1) The date on which a notice for review was filed.

(2) The name and address of the taxpayer who filed the notice for review.

(3) The assessed value for the assessment date the year before the appeal, and the assessed value on the most recent assessment date.

(4) The status of the taxpayer's appeal.

(b) Each township assessor (if any) shall furnish to the county assessor all requested information necessary for purposes of providing the quarterly notices under this section.

(c) A notice required by this section may be provided to the appropriate fiscal officer in an electronic format.

(Reference is to EHB 1603 as printed March 20, 2015.)

SMALTZ	HEAD
PRYOR	BRODEN
House Conferees	Senate Conferees

Roll Call 546: yeas 73, nays 0. Report adopted.

Representatives Baird and Carbaugh, who had been excused, are now present.

RESOLUTIONS ELIGIBLE FOR ADOPTION

Senate Concurrent Resolution 50

The Speaker handed down on its passage Senate Concurrent Resolution 50, sponsored by Representative Cook:

A CONCURRENT RESOLUTION urging the Indiana Department of Transportation to name the bridge over Tipton County Road 600N and U.S. Highway 31 the "Command Sergeant Major Arno C. Land Memorial Bridge.".

The resolution was read a second time and adopted. Roll Call 547: yeas 75, nays 0. The Clerk was directoed to inform the Senate of the passage of the resolution.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 12:00 p.m. with the Speaker in the Chair.

Representatives Torr, McMillin, Burton, Cherry, Koch, Soliday, Steuerwald, Pierce, Austin, Dvorak, Beumer, Braun, Davisson, Huston, Karickhoff, Leonard, Mayfield, Negele, Slager, Sullivan, Truitt, Ubelhor and Wolkins, who had been excused, are now present.

Representative Behning and Lehman, who had been present, are now excused.

Upon request of Representative Pierce, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 548: 69 present. The Speaker declared a quorum present.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 516-2015 because it conflicts with SEA 177-2015 without properly recognizing the existence of SEA 177-2015, has had Engrossed Senate Bill 516-2015 under consideration and begs leave to report back to the House with the recommendation that Engrossed Senate Bill 516-2015 be corrected as follows:

Page 4, line 31, delete "P.L.209-2014," and insert "SEA 177-2015, SECTION 1,".

Page 4, line 32, delete "SECTION 12,".

Page 4, line 35, delete "five" and insert "ten".

Page 4, line 35, delete "(5%)" and insert "(10%)".

(Reference is to ESB 516 as printed April 3, 2015.)

TORR, Chair
PIERCE, R.M.M.
SPEEDY, Sponsor

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1350-2015 because it conflicts with HEA 1396-2015 without properly recognizing the existence of HEA 1396-2015, has had Engrossed House Bill 1350-2015 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1350-2015 be corrected as follows:

Page 8, line 31, delete "ADDED BY P.L.126-2014," and insert "AMENDED BY HEA 1396-2015, SECTION 79,".

Page 8, line 32, delete "SECTION 9,".

Page 9, line 1, delete ""disposal" and insert ""recycling".

Page 9, line 2, delete "IC 9-13-2-44;" and insert "IC 9-13-2-150.3;".

(Reference is to EHB 1350 as printed April 1, 2015.)

TORR, Chair
PIERCE, R.M.M.
WOLKINS, Author

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1388-2015 because it conflicts with HEA 1283-2015 without properly recognizing the existence of HEA 1283-2015, has had Engrossed House Bill 1388-2015 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1388-2015 be corrected as follows:

Page 9, line 25, delete "P.L.166-2014," and insert "HEA 1283-2015, SECTION 1,".

Page 9, line 26, delete "SECTION 2,".

Page 10, line 1, after "residence" delete ";" and insert ", and that obligates the owner to convey title to the individual upon completion of all of the individual's contract obligations;".

Page 27, line 1, delete "P.L.231-2013," and insert "HEA 1286-2015, SECTION 6,".

Page 27, line 2, delete "SECTION 10,".

Page 27, line 15, delete "IC 32-25.5-3-8 applies" and insert "The following apply".

Page 27, line 15, after "associations" delete "." and insert ":".

Page 27, line 16, delete "(c)", begin a new line block indented and insert:

"(1)".

Page 27, line 16, after "IC 32-25.5-3-3(m)" insert ".".

Page 27, line 16, delete "apply to all".

Page 27, delete line 17, begin a new line block indented and insert:

"(2) IC 32-25.5-3-9.

(3) IC 32-25.5-3-10.

(4) IC 32-25.5-4.

(5) IC 32-25.5-5.".

(Reference is to EHB 1388 as printed March 27, 2015.)

TORR, Chair
PIERCE, R.M.M.
LEONARD, Author

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1393-2015 because it conflicts with SEA 171-2015, SEA 280-2015, SEA 383-2015, AND HEA 1397-2015 without properly recognizing the existence of SEA 171-2015, SEA 280-2015, SEA 383-2015, AND HEA 1397-2015,

has had Engrossed House Bill 1393-2015 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1393-2015 be corrected as follows:

Page 36, line 12, delete "P.L.206-2014," and insert "SEA 383-2015, SECTION 5,".

Page 36, line 13, delete "SECTION 1,".

Page 37, line 32, after "(D)" insert "This clause does not apply to the operation of an autocycle.".

Page 41, line 2, delete "P.L.125-2012," and insert "SEA 171-2015, SECTION 28,".

Page 41, line 3, delete "SECTION 188,".

Page 42, line 15, delete "49 CFR 383.71(a)(1)(ii)(B) and (D)." and insert "49 CFR 383.71 et seq.".

Page 44, line 30, delete "P.L.85-2013," and insert "SEA 280-2015, SECTION 1,".

Page 44, line 31, delete "SECTION 37,".

Page 45, line 39, delete "veteran" and insert "member".

Page 45, line 41, after "veteran" insert "or active military or naval service".

Page 45, line 42, after "veteran" insert "or active military or naval service".

Page 46, line 3, delete "veteran" and insert "member".

Page 46, line 4, after "veteran" insert "or active military or naval service".

Page 46, line 6, after "applicant's" insert ":", begin a new line double block indented and insert:

"(A)".

Page 46, line 8, delete "." and insert "; or

(B) active military or naval service status by means of a current armed forces identification card.".

Page 46, line 22, delete "P.L.85-2013," and insert "SEA 383-2015, SECTION 11,".

Page 46, line 23, delete "SECTION 39,".

Page 46, line 40, after "examination." insert "An autocycle may not be used as the motor vehicle provided for the examination.".

Page 54, line 15, delete "P.L.216-2014," and insert "HEA 1397-2015, SECTION 14,".

Page 54, line 16, delete "SECTION 63,".

Page 54, line 34, delete "." and insert ", or an operator (as defined in IC 9-21-3.5-4).".

(Reference is to EHB 1393 as printed March 31, 2015.)

TORR, Chair
PIERCE, R.M.M.
SOLIDAY, Author

Report adopted.

RESOLUTIONS ELIGIBLE FOR ADOPTION

Senate Concurrent Resolution 35

The Speaker handed down on its passage Senate Concurrent Resolution 35, sponsored by Representatives Soliday, Stemler and Clere:

A CONCURRENT RESOLUTION urging the Indiana Department of Transportation to name the bridge currently under construction on Interstate 65 over the Ohio River as the "Abraham Lincoln Memorial Bridge".

The resolution was read a second time and adopted. Roll Call 549: yeas 96, nays 0. The Clerk was directed to inform the Senate of the passage of the resolution.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred House Resolution 68, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said resolution do pass.

(Reference is to HR 68 as printed April 27, 2015.)

Committee Vote: Yeas 7, Nays 3.

TORR, Chair

Report adopted.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.1 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015; we further recommend that House Rule 163.1 be amended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1159-1 and 1319-1 and Engrossed Senate Bill 267-1.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.1 be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015, and that House Rule 163.1 be amended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1159-1 and 1319-1 and Engrossed Senate Bill 267-1..

TORR, Chair

Motion prevailed.

Representative Behning, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
EHB 1159–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1159 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 22-5-7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 7. Protective Orders and Employment

Sec. 1. As used in this chapter, "protective order" has the meaning set forth in IC 5-2-9-2.1.

Sec. 2. (a) An employer may not terminate an employee from employment based on:

(1) the filing, by the employee, for a petition for a protective order for the protection of the employee, whether or not the protective order has been issued; or

(2) the actions of an individual against whom the

employee has filed a protective order.

(b) This section does not prohibit an employer from altering:

(1) the location of employment of an employee;

(2) an employee's compensation or benefits; or

(3) a term or condition of employment;

upon which an employee and employer mutually have agreed to alter.

(Reference is to EHB 1159 as printed March 25, 2015.)

JUDY	A. BANKS
MACER	ARNOLD
House Conferees	Senate Conferees

Roll Call 550: yeas 99, nays 0. Report adopted.

Representative Lehman, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
EHB 1319–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1319 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 4, after line 3, begin a new paragraph and insert:

"SECTION 2. IC 14-25-7-12.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 12.5. (a) The department shall cooperate with the United States Geological Survey to establish a program under which volunteers may monitor the water resource and provide monitoring data to the commission, the department, and the United States Geological Survey. Data derived from the voluntary monitoring conducted under the program may be:**

(1) collected and disseminated by the commission under section 12(1) of this chapter; and

(2) used by the commission in conducting the continuing assessment of the availability of the water resource under section 11(1) of this chapter.

(b) The department may cooperate with other local, state, and federal governmental agencies in implementing this section.

(c) The commission, under IC 4-22-2 and section 10(a) of this chapter, may adopt rules concerning the administration of this section. Section 10(c) and 10(d) of this chapter does not apply to the adoption of rules under this subsection.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1319 as printed April 1, 2015.)

KOCH	CHARBONNEAU
HALE	STOOPS
House Conferees	Senate Conferees

Roll Call 551: yeas 97, nays 1. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 267–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 267 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert:

SECTION 1. IC 20-20-41 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 41. Dual Language Pilot Program

Sec. 1. The department, with the approval of the state board, shall establish and maintain a dual language immersion pilot program to provide grants to school corporations and charter schools that establish dual language immersion programs in:

(1) Chinese;

(2) Spanish;

(3) French; or

(4) any other language approved by the department.

Sec. 2. A school corporation or charter school may be eligible to receive a grant under this chapter if:

(1) the school corporation or charter school uses an instructional model that provides at least fifty percent (50%) of its instruction in English and fifty percent (50%) of its instruction in a language described in section 1 of this chapter;

(2) the program that uses an instructional model described in subdivision (1) begins either in kindergarten or in grade 1; and

(3) the program described in subdivision (2) meets any other requirements established by the department, with the approval of the state board.

Sec. 3. A school corporation or charter school desiring to receive a grant under this chapter shall apply to the department for a grant in the manner and on a form prescribed by the department.

Sec. 4. (a) The dual language immersion pilot program fund is established to be used to provide grants under this chapter.

(b) The fund consists of:

(1) appropriations made by the general assembly; and

(2) gifts and donations to the fund.

(c) The fund shall be administered by the department.

(d) The expenses of administering the fund shall be paid from money in the fund.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

Sec. 5. The state board may establish rules necessary to administer this chapter.

SECTION 2. IC 20-30-14.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 14.5. State Certificate of Biliteracy

Sec. 1. As used in this chapter, "foreign language" refers to any language other than English, including:

(1) modern languages;

(2) Latin;

(3) American Sign Language;

(4) Native American languages; and

(5) native languages.

Sec. 2. As used in this chapter, "certificate" refers to the state certificate of biliteracy created under section 3 of this chapter.

Sec. 3. (a) The state certificate of biliteracy is created to:

(1) encourage students to study languages;

(2) certify the attainment of biliteracy;

(3) provide employers with a method of identifying individuals with language and biliteracy skills;

(4) provide postsecondary educational institutions with an additional method to recognize applicants for admission;

(5) prepare students with twenty-first century skills;

(6) recognize the value of foreign language and native

language instruction in public schools; and

(7) strengthen intergroup relationships, affirm the value of diversity, and honor the multiple cultures and languages of a community.

(b) The receipt of the certificate demonstrates the attainment of a high level of proficiency by a graduate of a public or an accredited nonpublic high school, sufficient for meaningful use in college and a career, in one (1) or more languages in addition to English.

(c) A school corporation, a charter school, or an accredited nonpublic high school is not required to participate in the certificate program.

Sec. 4. The state board shall:

(1) establish the criteria for earning a certificate, including:

(A) the number of credits a student must earn in English and language arts and in a language other than English; and

(B) assessments of foreign language and English proficiency the state board considers necessary;

(2) direct the department to prepare and deliver to participating school corporations, charter schools, and accredited nonpublic high schools an appropriate mechanism for awarding the certificate and designating on a student's transcript that the student has been awarded a certificate; and

(3) direct the department to provide any other information the state board considers necessary for school corporations, charter schools, and accredited nonpublic high schools to successfully participate in the certificate program.

Sec. 5. A participating school corporation, charter school, or accredited nonpublic high school shall:

(1) maintain appropriate records to identify students who have earned a certificate; and

(2) make the appropriate designation on the transcript of each student who earns a certificate.

Sec. 6. (a) Except as provided in subsection (b), a student may not be charged a fee to receive a certificate under this chapter.

(b) If necessary, a student may be required to pay a fee to demonstrate proficiency in a language, including the cost of a standardized test to determine proficiency.

Sec. 7. The state board shall adopt rules under IC 4-22-2 to carry out this chapter.

(Reference is to ESB 267 as printed April 10, 2015.)

KRUSE	BEHNING
LANANE	AUSTIN
Senate Conferees	House Conferees

Roll Call 552: yeas 98, nays 0. Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 4:18 p.m. with the Speaker in the Chair.

RESOLUTIONS ON FIRST READING

House Resolution 79

Representatives Torr and Pierce introduced House Resolution 79:

A HOUSE RESOLUTION urging the legislative council to assign these topics to an appropriate study committee.

Whereas, Further study of these listed topics would be beneficial to the citizens of Indiana: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the legislative council is urged to assign the following topics to an appropriate study committee:

(1) Contractor cooperatives and series limited liability company legislation.

(2) Medical Malpractice Act including whether the cap on the damages should be increased and any potential changes or improvements to the medical review panel process that may improve and streamline the process.

(3) Transportation corridor development.

(4) Provision of affordable broadband services in unserved areas in Indiana.

The resolution was read a first time and adopted by voice vote.

House Resolution 80

Representative V. Smith introduced House Resolution 80:

A HOUSE RESOLUTION recognizing Young Black Males Legislative Day on March 31, 2015.

Whereas, March 31 marked the first annual Young Black Males Legislative Day when 250 students from around the state gathered at the Statehouse to show that they can have a voice in their government and show the Indiana General Assembly that Young Black Lives Matter;

Whereas, Black males are six times more likely to be incarcerated than their white male counterparts. Blacks make up 9.5 percent of the population in Indiana but 37 percent of the inmates in the Indiana Department of Correction in 2012. African-American males comprise over 75 percent of the defendants in Indianapolis;

Whereas, Indiana's percentage of black male students who experience out-of-school suspensions was 27 percent and was tied for the second highest percentage among all states. In Marion County, the number of out-of-school suspensions represented more than 60 percent of the student population at various schools. "Attendance" was the fifth most common reason for students being suspended. The high school graduation rate for African-American males is 38 percent while the graduation rate for white males is 70 percent; and

Whereas, African-American young males are predominately caught in a cycle of poverty and low expectations, which needs to be recognized. Rectifying this cycle must be prioritized at all levels of government. We must invest in the future of these young men. It is time to make it clear that Black Male Lives Matter: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives does hereby mark Young Black Males Legislative Day on March 31, 2015.

The resolution was read a first time and adopted by voice vote.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.1 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015; we further recommend that House Rule 163.1 be suspended so that the following conference committee

reports may be laid over on the members' desks for 1.5 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1110-1, 1485-1 and 1562-1 and Engrossed Senate Bills 425-1 and 476-1.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.1 be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015, and that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 1.5 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1110-1, 1485-1 and 1562-1 and Engrossed Senate Bills 425-1 and 476-1.

TORR, Chair

Motion prevailed.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Friend.

Representatives Austin, Burton , Carbaugh, Cherry, Davisson, Dermody, Dvorak, Forestal, Koch, Negele, Pierce, Soliday, Steuerwald, Torr and Zent, who were present, are now excused.

CONFERENCE COMMITTEE REPORT
EHB 1485–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1485 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 1, delete lines 1 through 15.

Page 2, delete lines 1 through 7.

Page 2, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 3. IC 6-3.5-1.1-2, AS AMENDED BY P.L.261-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The county council of any county in which the county option income tax will not be in effect on December 1 of a year under an ordinance adopted during a previous calendar year may impose the county adjusted gross income tax on the adjusted gross income of county taxpayers of its county.

(b) Except as provided in section 2.3, 2.5, 2.7, 2.8, 2.9, 3.3, 3.5, 3.6, **3.7,** 24, 25, or 26 of this chapter, the county adjusted gross income tax may be imposed at a rate of one-half of one percent (0.5%), three-fourths of one percent (0.75%), or one percent (1%) on the adjusted gross income of resident county taxpayers of the county. Any county imposing the county adjusted gross income tax must impose the tax on the nonresident county taxpayers at a rate of one-fourth of one percent (0.25%) on their adjusted gross income. If the county council elects to decrease the county adjusted gross income tax, the county council may decrease the county adjusted gross income tax rate in increments of one-tenth of one percent (0.1%).

(c) To impose the county adjusted gross income tax, the county council must adopt an ordinance. The ordinance must substantially state the following:

"The _____ County Council imposes the county adjusted gross income tax on the county taxpayers of _____ County. The county adjusted gross income tax is imposed at a rate of _____ percent (_____%) on the resident county taxpayers of the county and one-fourth of one percent (0.25%) on the nonresident county taxpayers of the county.".

(d) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) If the county adjusted gross income tax had previously been adopted by a county under IC 6-3.5-1 (before its repeal on March 15, 1983) and that tax was in effect at the time of the enactment of this chapter, then the county adjusted gross income tax continues in that county at the rates in effect at the time of enactment until the rates are modified or the tax is rescinded in the manner prescribed by this chapter. If a county's adjusted gross income tax is continued under this subsection, then the tax shall be treated as if it had been imposed under this chapter and is subject to rescission or reduction as authorized in this chapter.

SECTION 4. IC 6-3.5-1.1-3.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.7. (a) This section applies to Rush County.**

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to do the following:

(1) Finance, construct, acquire, improve, renovate, and equip the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(2) Repay bonds issued or leases entered into for the purposes described in subdivision (1).

(3) Operate and maintain the facilities described in subdivision (1).

(c) In addition to the rates permitted by section 2 of this chapter, if the county council makes the determination set forth in subsection (b), the county council may adopt an ordinance to impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);
(2) two-tenths percent (0.2%);
(3) twenty-five hundredths percent (0.25%);
(4) three-tenths percent (0.3%);
(5) thirty-five hundredths percent (0.35%);
(6) four-tenths percent (0.4%);
(7) forty-five hundredths percent (0.45%);
(8) five-tenths percent (0.5%);
(9) fifty-five hundredths percent (0.55%); or
(10) six-tenths percent (0.6%);

on the adjusted gross income of county taxpayers that is in addition to the rates permitted by section 2 of this chapter. The tax rate may not be greater than the rate necessary to pay for the purposes described in subsection (b).

(d) The tax rate used to pay for the purposes described in subsection (b)(1) and (b)(2) may be imposed only until the latest of the following dates:

(1) The date on which the financing, construction, acquisition, improvement, and equipping of the facilities as described in subsection (b) are completed.

(2) The date on which the last of any bonds issued (including refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b) are fully paid.

(3) The date on which an ordinance adopted under subsection (c) is rescinded.

(e) If the county council imposes a tax under this section to pay for the purposes described in subsection (b)(1) and

(b)(2), in the year before the facilities are ready for occupancy, the county council shall by ordinance establish a tax rate at a rate permitted under subsection (c) so that the revenue from the tax rate established under this subsection does not exceed the costs of operating and maintaining the facilities described in subsection (b). The tax rate under this subsection may be imposed beginning in the year following the year the ordinance is adopted and until the date on which the ordinance adopted under this subsection is rescinded.

(f) The term of a bond issued (including any refunding bond) or a lease entered into under subsection (b) may not exceed twenty-five (25) years.

(g) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under sections 10 and 11 of this chapter.

(h) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for the purposes described in subsection (b).

(i) Rush County possesses unique governmental and economic development challenges and opportunities due to the following:

(1) Deficiencies in the current county jail, including the following:

(A) Aging facilities that have not been significantly improved or renovated since the original construction.

(B) Lack of recreation and medical facilities.

(C) Inadequate line of sight supervision of inmates due to the configuration of the aging jail.

(D) Lack of adequate housing for an increasing female inmate population and for inmates with special needs.

(E) Lack of adequate administrative space.

(F) Increasing maintenance demands and costs resulting from having aging facilities.

(2) A limited industrial and commercial assessed valuation in the county.

The use of county adjusted gross income tax revenues as provided in this chapter is necessary for the county to provide adequate jail capacity in the county and to maintain low property tax rates essential to economic development. The use of county adjusted gross income tax revenues as provided in this chapter to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b), rather than the use of property taxes, promotes those purposes.

(j) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after the termination of the tax under this section shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

SECTION 5. IC 6-3.5-1.1-10, AS AMENDED BY P.L.137-2012, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 8 of this chapter to the appropriate county treasurer on the first regular business day of each month of that calendar year.

(b) Except for:

(1) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.3 of this chapter;

(2) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5 of this chapter;

(3) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(4) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(5) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

(6) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter; ~~or~~

(7) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 3.7 of this chapter; or

~~(7)~~ **(8)** revenue attributable to a tax rate under section 24, 25, or 26 of this chapter;

distributions made to a county treasurer under subsection (a) shall be treated as though they were property taxes that were due and payable during that same calendar year. Except as provided by sections 24, 25, and 26 of this chapter, the certified distribution shall be distributed and used by the taxing units and school corporations as provided in sections 11 through 15 of this chapter.

(c) All distributions from an account established under section 8 of this chapter shall be made by warrants issued by the auditor of the state to the treasurer of the state ordering the appropriate payments.

SECTION 6. IC 6-3.5-1.1-11, AS AMENDED BY P.L.77-2011, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except for:

(1) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.3 of this chapter;

(2) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5 of this chapter;

(3) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(4) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(5) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

(6) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter; ~~or~~

(7) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 3.7 of this chapter; or

~~(7)~~ **(8)** revenue attributable to a tax rate under section 24, 25, or 26 of this chapter;

the certified distribution received by a county treasurer shall, in the manner prescribed in this section, be allocated, distributed, and used by the civil taxing units and school corporations of the county as certified shares and property tax replacement credits.

(b) Before August 10 of each calendar year, each county auditor shall determine the part of the certified distribution for the next succeeding calendar year that will be allocated as property tax replacement credits and the part that will be allocated as certified shares. The percentage of a certified distribution that will be allocated as property tax replacement credits or as certified shares depends upon the county adjusted gross income tax rate for resident county taxpayers in effect on December 1 of the calendar year that precedes the year in which the certified distribution will be received by two (2) years. The percentages are set forth in the following table:

COUNTY ADJUSTED GROSS INCOME TAX RATE	PROPERTY TAX REPLACEMENT CREDITS	CERTIFIED SHARES
0.5%	50%	50%
0.75%	33 1/3%	66 2/3%
1%	25%	75%

(c) The part of a certified distribution that constitutes property tax replacement credits shall be distributed as provided under sections 12, 13, and 14 of this chapter.

(d) The part of a certified distribution that constitutes certified shares shall be distributed as provided by section 15 of this chapter.".

Page 2, delete lines 16 through 42, begin a new paragraph and insert:

"SECTION 6. IC 6-3.5-7-5, AS AMENDED BY SEA 374-2015, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers. Except as provided in section 26(m) of this chapter, the entity that may impose the tax is:

(1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on October 1 of the year the county economic development income tax is imposed;

(2) the county council if the county adjusted gross income tax is in effect on October 1 of the year the county economic development tax is imposed; or

(3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in this section and section 28 of this chapter, the county economic development income tax may be imposed at a rate of:

(1) one-tenth percent (0.1%);

(2) two-tenths percent (0.2%);

(3) twenty-five hundredths percent (0.25%);

(4) three-tenths percent (0.3%);

(5) thirty-five hundredths percent (0.35%);

(6) four-tenths percent (0.4%);

(7) forty-five hundredths percent (0.45%); or

(8) five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in this section, the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in this section, the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose, increase, decrease, or rescind the county economic development income tax, the appropriate body must adopt an ordinance.

(e) The ordinance to impose the tax must substantially state the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____%) on the county taxpayers of the county.".

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this chapter and shall, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(g) For Jackson County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(h) For Pulaski County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

(i) For Wayne County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(j) This subsection applies to Randolph County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);

if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter.

(k) For Daviess County, except as provided in subsection (o),

the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(l) For:

(1) Elkhart County; or

(2) Marshall County;

except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(m) For Union County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(n) This subsection applies to Knox County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and:

(A) the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%); or

(B) the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 24 of this chapter.

(o) This subsection applies to a county in which an adopting entity approves the use of the certified distribution for property tax relief under section 26(c) and 26(e) of this chapter or to a county in which the county fiscal body approves the use of the certified distribution to fund a public transportation project under section 26(m) of this chapter. In addition:

(1) the county economic development income tax may be imposed at a rate that exceeds by not more than twenty-five hundredths percent (0.25%) the maximum rate that would otherwise apply under this section; and

(2) the:

(A) county economic development income tax; and

(B) county option income tax or county adjusted gross income tax;

may be imposed at combined rates that exceed by not more than twenty-five hundredths percent (0.25%) the maximum combined rates that would otherwise apply under this section.

Except as provided in section 5.5 of this chapter, the additional rate imposed under this subsection may not exceed the amount necessary to mitigate the increased ad valorem property taxes on homesteads (as defined in IC 6-1.1-20.9-1 (repealed) before January 1, 2009, or IC 6-1.1-12-37 after December 31, 2008) or residential property (as defined in section 26 of this chapter), as appropriate under the ordinance adopted by the adopting body in the county, resulting from the deduction of the assessed value of inventory in the county under IC 6-1.1-12-41 (repealed **effective January 1, 2016)** or IC 6-1.1-12-42 or from the exclusion in 2008 of inventory from the definition of personal property in IC 6-1.1-1-11.

(p) If the county economic development income tax is imposed as authorized under subsection (o) at a rate that exceeds the maximum rate that would otherwise apply under this section, the certified distribution must be used for a purpose provided in section 26 of this chapter to the extent that the certified distribution results from the difference between:

(1) the actual county economic development tax rate; and

(2) the maximum rate that would otherwise apply under this section.

(q) This subsection applies only to a county described in section 27 of this chapter. Except as provided in subsection (o), in addition to the rates permitted by subsection (b), the:

(1) county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 27 of this chapter.

(r) Except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%) if the county has imposed the county adjusted gross income tax under IC 6-3.5-1.1-3.3.

(s) This subsection applies to Howard County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(t) This subsection applies to Scott County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(u) This subsection applies to Jasper County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(v) An additional county economic development income tax rate imposed under section 28 of this chapter may not be considered in calculating any limit under this section on the sum of:

(1) the county economic development income tax rate plus the county adjusted gross income tax rate; or

(2) the county economic development tax rate plus the county option income tax rate.

(w) The income tax rate limits imposed by subsection (c) or (x) or any other provision of this chapter do not apply to:

(1) a county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26; or

(2) a county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

For purposes of computing the maximum combined income tax rate under subsection (c) or (x) or any other provision of this chapter that may be imposed in a county under IC 6-3.5-1.1, IC 6-3.5-6, and this chapter, a county's county adjusted gross income tax rate or county option income tax rate for a particular year does not include the county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 or the county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

(x) This subsection applies to Monroe County. Except as provided in subsection (o), if an ordinance is adopted under IC 6-3.5-6-33, the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(y) This subsection applies to Perry County. Except as provided in subsection (o), if an ordinance is adopted under section 27.5 of this chapter, the county economic development income tax rate plus the county option income tax rate that is in effect on January 1 of a year may not exceed one and seventy-five hundredths percent (1.75%).

(z) This subsection applies to Starke County. Except as

provided in subsection (o), if an ordinance is adopted under section 27.6 of this chapter, the county economic development income tax rate plus the county adjusted gross income tax rate that is in effect on January 1 of a year may not exceed two percent (2%).

(aa) This subsection applies to Rush County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and eighty-five hundredths percent (1.85%).".

Delete pages 3 through 6.

Page 7, delete lines 1 through 28.

Page 8, line 37, delete "IC 6-3.5-6," and insert "**IC 6-3.6-5,**".

Page 9, line 5, delete "2015;" and insert "**2016;**".

Page 24, line 5, delete ", all special service" and insert "**(except for a public library district, a public transportation corporation, and a health and hospital corporation), and all special service districts.**".

Page 24, delete line 6.

Page 24, line 7, delete "subject to review under IC 36-3-6-9.".

Page 28, line 13, after "chapter." insert "**The distributions to school corporations and civil taxing units in counties that formerly imposed a tax under IC 6-3.5-1.1 as provided in section 3(1) of this chapter is not considered an allocation of certified shares. A school corporation's allocation amount for purposes of section 3(1) of this chapter shall be determined under section 12 of this chapter.**".

Page 29, line 5, after "shares" insert "**plus the amount distributed under section 3(1) of this chapter**".

Page 32, line 9, after "body" insert "**that had the authority to adopt a special purpose rate under the former tax law**".

Page 33, line 24, delete "the" and insert "**an**".

Page 33, line 25, after "body" insert "**that had the authority to adopt a special purpose rate under the former tax law**".

Page 51, line 24, delete "IC 6-3.5-6" and insert "**IC 6-3.6-6**".

Page 52, line 1, delete "IC 6-3.5-5" and insert "**IC 6-3.6-6**".

Page 52, delete lines 2 through 42.

Delete page 53.

Page 54, delete lines 1 through 13.

Page 62, between lines 34 and 35, begin a new line block indented and insert:

"**(11) By a county, city, or town for any lawful purpose for which money in any of its other funds may be used.**".

Page 70, line 20, delete "IC 6-3.5-5" and insert "**IC 6-3.6-5**".

Page 73, delete lines 39 through 42, begin a new paragraph and insert:

"SECTION 9. [EFFECTIVE UPON PASSAGE] **(a) The legislative council is urged to assign to the fiscal policy interim study committee established by IC 2-5-1.3-4 the study of the following:**

(1) County option income tax councils and their purpose.

(2) The correction of cross-references and other changes to the Indiana Code that may be necessary to bring the Indiana Code into conformity with this act, including provisions enacted in the 2015 regular session of the general assembly that are amendatory or added to IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7.

(b) The general assembly recognizes that this act repeals IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-3.5-7, effective January 1, 2017, and that various other enactments may amend or add provisions to IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7. The general assembly intends to repeal IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-3.5-7 effective January 1, 2017.

(c) The legislative council shall provide for the preparation and introduction of legislation in the 2016 session of the general assembly to correct cross-references and make other changes to the Indiana Code, as necessary, to bring provisions into conformity with this act, including provisions enacted in the 2015 regular session of the general assembly that are amendatory or added to IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7.

(d) This SECTION expires January 1, 2018.".

Delete pages 74 through 75.

Page 76, delete lines 1 through 34.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1485 as reprinted April 15, 2015.)

THOMPSON	HERSHMAN
PRYOR	BRODEN
House Conferees	Senate Conferees

Roll Call 553: yeas 64, nays 19. Report adopted.

Representative Davisson, who was excused, is now present

Representative McMillin and Slager, who were present, is now excused.

CONFERENCE COMMITTEE REPORT

ESB 425–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 425 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 27-1-3-32 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 32. The department shall develop, post, and maintain on the department's Internet web site information related to life insurance, including the manner in which an individual may do the following:**

(1) Obtain information concerning the existence of a life insurance policy.

(2) File a claim for life insurance benefits.

(3) Make provision for resolution of financial affairs after the individual's death, including notification of life insurance beneficiaries and making financial documents known and accessible to survivors.

SECTION 2. IC 27-2-23-4, AS ADDED BY P.L.90-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) As used in this chapter, "annuity" refers to an annuity contract issued in Indiana **after June 30, 2015.**

(b) The term does not include an annuity contract used to fund an employment based retirement plan, the sponsor or administrator of which directs the insurer that issues the annuity contract.

SECTION 3. IC 27-2-23-9, AS ADDED BY P.L.90-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) As used in this chapter, "policy" means a policy or certificate issued in Indiana **after June 30, 2015,** that provides the kind of insurance described in Class 1 of IC 27-1-5-1.

(b) The term does not include the following:

(1) A policy or certificate that provides a death benefit under:

(A) an employee benefit plan that is subject to the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.); or

(B) a federal employee benefit program.

(2) A policy or certificate that is used to fund a preneed funeral contract or prearrangement.

(3) A policy or certificate of credit life or accidental death insurance.

(4) A policy issued to a group policy owner for which the insurer does not provide record keeping services.

SECTION 4. IC 27-2-23-10.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 10.2. As used in this chapter, "retained asset account" refers to a retained asset account that is issued in Indiana after June 30, 2015.**

SECTION 5. IC 27-2-23-13 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 13. An insurer shall implement procedures to account for the following in complying with the requirements of this chapter:~~

~~(1) Common nicknames, initials used instead of a first or middle name, use of a middle name, compound first and middle names, and interchanged first and middle names.~~

~~(2) Compound last names, maiden or married names, and hyphens, blank spaces, or apostrophes in last names.~~

~~(3) Transposition of the month and date parts of the date of birth.~~

~~(4) Incomplete Social Security number.~~

SECTION 6. IC 27-2-23-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 21. This chapter does not prevent the attorney general from conducting an examination of the records of an insurance company under IC 32-34-1-42.**

(Reference is to ESB 425 as printed March 27, 2015.)

HOLDMAN	LEHMAN
ARNOLD	AUSTIN
Senate Conferees	House Conferees

Roll Call 554: yeas 82, nays 0. Report adopted.

Representative Slager, who had been excused, is now present.

The Speaker Pro Tempore yielded the gavel to the Deputy Speaker Pro Tempore, Representative Lehman.

CONFERENCE COMMITTEE REPORT
ESB 476–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 476 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-18-12, AS AMENDED BY P.L.2-2014, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) For purposes of this section, "maximum rate" refers to the maximum:

(1) property tax rate or rates; or

(2) special benefits tax rate or rates;

referred to in the statutes listed in subsection (d).

(b) The maximum rate for taxes first due and payable after 2003 is the maximum rate that would have been determined under subsection (e) for taxes first due and payable in 2003 if subsection (e) had applied for taxes first due and payable in 2003.

(c) The maximum rate must be adjusted each year to account for the change in assessed value of real property that results from:

(1) an annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5;

(2) a general reassessment of real property under IC 6-1.1-4-4; or

(3) a reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2.

(d) The statutes to which subsection (a) refers are:

(1) IC 8-10-5-17;
(2) IC 8-22-3-11;
(3) IC 8-22-3-25;
(4) IC 12-29-1-1;
(5) IC 12-29-1-2;
(6) IC 12-29-1-3;
(7) IC 12-29-3-6;
(8) IC 13-21-3-12;
(9) IC 13-21-3-15;
(10) IC 14-27-6-30;
(11) IC 14-33-7-3;
(12) IC 14-33-21-5;
(13) IC 15-14-7-4;
(14) IC 15-14-9-1;
(15) IC 15-14-9-2;
(16) IC 16-20-2-18;
(17) IC 16-20-4-27;
(18) IC 16-20-7-2;
(19) IC 16-22-14;
(20) IC 16-23-1-29;
(21) IC 16-23-3-6;
(22) IC 16-23-4-2;
(23) IC 16-23-5-6;
(24) IC 16-23-7-2;
(25) IC 16-23-8-2;
(26) IC 16-23-9-2;
(27) IC 16-41-15-5;
(28) IC 16-41-33-4;
(29) IC 20-46-2-3 (before its repeal on January 1, 2009);
(30) IC 20-46-6-5;
(31) IC 20-49-2-10;
(32) IC 36-1-19-1;
(33) IC 23-14-66-2;
(34) IC 23-14-67-3;
(35) IC 36-7-13-4;
(36) IC 36-7-14-28;
(37) IC 36-7-15.1-16;
(38) IC 36-8-19-8.5;
(39) IC 36-9-6.1-2;
(40) IC 36-9-17.5-4;
(41) IC 36-9-27-73;
(42) IC 36-9-29-31;
(43) IC 36-9-29.1-15;
(44) IC 36-10-6-2;
(45) IC 36-10-7-7;
(46) IC 36-10-7-8;
(47) IC 36-10-7.5-19;
(48) IC 36-10-13-5;
(49) IC 36-10-13-7;
(50) IC 36-10-14-4;
(51) IC 36-12-7-7;
(52) IC 36-12-7-8;
(53) IC 36-12-12-10;
(54) a statute listed in IC 6-1.1-18.5-9.8; and
(55) any statute enacted after December 31, 2003, that:
(A) establishes a maximum rate for any part of the:
(i) property taxes; or
(ii) special benefits taxes;
imposed by a political subdivision; and
(B) does not exempt the maximum rate from the adjustment under this section.

(e) For property tax rates imposed for property taxes first due and payable after December 31, 2013, the new maximum rate under a statute listed in subsection (d) is the tax rate determined under STEP EIGHT of the following STEPS:

STEP ONE: Except as provided in subsection (g), determine the maximum rate for the political subdivision levying a property tax or special benefits tax under the

statute for the previous calendar year.

STEP TWO: Determine the actual percentage change (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value of the taxable property from the previous calendar year to the year in which the affected property taxes will be imposed.

STEP THREE: Determine the three (3) calendar years that immediately precede the year in which the affected property taxes will be imposed.

STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage change (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the preceding year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Determine the greater of the following:

(A) Zero (0).

(B) The STEP FIVE result.

STEP SEVEN: Determine the greater of the following:

(A) Zero (0).

(B) The result of the STEP TWO percentage minus the STEP SIX percentage, if any.

STEP EIGHT: Determine the quotient of the STEP ONE tax rate divided by the sum of one (1) plus the STEP SEVEN percentage, if any.

(f) The department of local government finance shall compute the maximum rate allowed under subsection (e) and provide the rate to each political subdivision with authority to levy a tax under a statute listed in subsection (d).

(g) This subsection applies only when calculating the maximum rate for taxes due and payable in calendar year 2013. The STEP ONE result is the greater of the following:

(1) The actual maximum rate established for property taxes first due and payable in calendar year 2012.

(2) The maximum rate that would have been established for property taxes first due and payable in calendar year 2012 if the maximum rate had been established under the formula under this section, as amended in the 2012 session of the general assembly.

(h) This subsection applies only when calculating the maximum rate allowed under subsection (e) for the Vincennes Community School Corporation with respect to property taxes first due and payable in 2014. The subsection (e) STEP ONE result for the school corporation's capital projects fund is nineteen and forty-two hundredths cents ($0.1942).

(i) This subsection does not apply when calculating the maximum rate for the Vincennes Community School Corporation. This subsection applies only when calculating the maximum rate for a school corporation's capital projects fund for taxes due and payable in calendar year 2016. The subsection (e) STEP ONE result for purposes of the calculation of that maximum rate is the greater of the following:

(1) The actual maximum rate established for the school corporation's capital projects fund for property taxes first due and payable in calendar year 2015.

(2) The maximum rate that would have been established for the school corporation's capital projects fund for property taxes first due and payable in calendar year 2015 if the formula specified in subsection (e) had been in effect for the determination of maximum rates for each calendar year after 2006.

SECTION 2. **An emergency is declared for this act.**

(Reference is to ESB 476 as reprinted April 15, 2015.)

HEAD	FRIEND
ROGERS	PORTER
Senate Conferees	House Conferees

Roll Call 555: yeas 83, nays 0. Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 5:15 p.m. with the Speaker in the Chair.

CONFEREES AND ADVISORS APPOINTED

The Speaker announced the appointment of Representatives to conference committees on the following Engrossed Senate Bills:

SB 315	Conferees:	Cherry and Austin
	Advisors:	Thompson, Cook and V. Smith

Representatives T. Brown, Austin, Burton, Carbaugh, Cherry, Dermody, Dvorak, Forestal, Koch, Negele, Pierce, Soliday, Torr and Zent, who had been excused, are now present.

Representative Slager, who had been present, is now excused.

ACTIONS ON CONFERENCE COMMITTEE REPORTS

CONFERENCE COMMITTEE REPORT
EHB 1562–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1562 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 16-34-2-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 5.5. The state department shall develop a program enabling the report required by section 5 of this chapter to be completed, transmitted, and received in an electronic format.**

SECTION 2. IC 25-0.5-10-1, AS ADDED BY P.L.3-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. As used in **IC 25-1-1.1 and** IC 25-1-8-6, "board" means any of the entities described in this chapter.

SECTION 3. IC 25-1-1.1-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 0.5. As used in this chapter, "board" has the meaning set forth in IC 25-0.5-10-1.**

SECTION 4. IC 25-1-1.1-1, AS AMENDED BY P.L.155-2011, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. **(a)** Except as provided under sections 2 through 5 of this chapter, a license or certificate of registration that an individual is required by law to hold to engage in a business, profession, or occupation may not be denied, revoked, or suspended because the applicant or holder has been convicted of an offense. The acts from which the applicant's or holder's conviction resulted may, however, be considered as to whether the applicant or holder should be entrusted to serve the public in a specific capacity.

(b) An individual licensed or certified under this title shall, not later than ninety (90) days after the entry of an order or judgment, notify the board in writing of any misdemeanor or felony criminal conviction, except traffic related misdemeanors other than operating a motor vehicle

under the influence of a drug or alcohol. A certified copy of the order or judgment with a letter of explanation must be submitted to the board along with the written notice.

SECTION 5. IC 25-1-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. ~~Effective October 1, 1961, such~~ **Subject to section 6(e) of this chapter,** licensing agencies ~~as are authorized to issue any of the foregoing~~ shall issue and reissue ~~such~~ licenses and collect ~~the~~ **license** fees ~~for the same~~ on the basis of **a licensing period.** ~~two (2) years. and the dates by month and day which govern the issuance or reissuance of licenses for one (1) year shall govern the issuance or reissuance of licenses for two (2) years. provided, that~~ **The** entire ~~fees~~ **fee** for ~~a~~ **the issuance or renewal of a license** ~~two (2) year period~~ shall be payable before ~~issuance thereof on~~ the ~~day and month designated for payment of fees for one (1) year licenses.~~ **issuance or renewal of the license.**

SECTION 6. IC 25-1-2-4 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 4. Rebates and proration of fees for fractions of a biennium shall be allowed only with respect to the second year of such license if claim be made therefor before the expiration of the first year for which the license was issued.~~

SECTION 7. IC 25-1-2-6, AS AMENDED BY P.L.3-2014, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) As used in this section, "license" includes all occupational and professional licenses, registrations, permits, and certificates issued under the Indiana Code, and "licensee" includes all occupational and professional licensees, registrants, permittees, and certificate holders regulated under the Indiana Code.

(b) This section applies to the entities described in IC 25-0.5-3 that regulate occupations or professions under the Indiana Code.

(c) Notwithstanding any other law, the entities referenced in subsection (b) shall send a notice of the upcoming expiration of a license to each licensee at least ~~sixty (60)~~ **ninety (90)** days prior to the expiration of the license. The notice must inform the licensee of the need to renew and the requirement of payment of the renewal fee. If this notice of expiration is not sent by the entity, the licensee is not subject to a sanction for failure to renew if, once notice is received from the entity, the license is renewed within forty-five (45) days of the receipt of the notice.

(d) Notwithstanding any other law, the entities referenced in subsection (b) shall send notice of the expiration of a license to each individual whose license has expired within thirty (30) days following the expiration of the license. The notice must meet the following requirements:

(1) Inform the individual of the following:

(A) That the individual's license has expired.

(B) Any requirements that must be met before reinstatement of a license may occur.

(2) Be sent electronically. However, if the entity does not have an electronic mail address on record for the individual, the notice must be sent via United States mail.

(e) If a license is first issued to an individual less than ninety (90) days before the date at the end of the licensing period on which licenses of the type issued to the individual expire generally, the license issued to the individual:

(1) does not expire on that date; but

(2) expires at the conclusion of the next licensing period.

SECTION 8. IC 25-1-5-4, AS AMENDED BY P.L.3-2014, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) The agency shall employ necessary staff, including specialists and professionals, to carry out the administrative duties and functions of the boards, including but not limited to:

(1) notice of board meetings and other communication services;

(2) recordkeeping of board meetings, proceedings, and actions;

(3) recordkeeping of all persons licensed, regulated, or certified by a board;

(4) administration of examinations; and

(5) administration of license or certificate issuance or renewal.

(b) In addition, the agency:

(1) shall prepare a consolidated statement of the budget requests of all the boards described in IC 25-0.5-5;

(2) may coordinate licensing or certification renewal cycles, examination schedules, or other routine activities to efficiently utilize agency staff, facilities, and transportation resources, and to improve accessibility of board functions to the public;

(3) may consolidate, where feasible, office space, recordkeeping, and data processing services; and

(4) shall operate and maintain the electronic registry of professions established under IC 25-1-5.5.

(c) In administering the renewal of licenses or certificates under this chapter, the agency shall send a notice of the upcoming expiration of a license or certificate to each holder of a license or certificate at least ~~sixty (60)~~ **ninety (90)** days before the expiration of the license or certificate. The notice must inform the holder of the license or certificate of the need to renew and the requirement of payment of the renewal fee. If this notice of expiration is not sent by the agency, the holder of the license or certificate is not subject to a sanction for failure to renew if, once notice is received from the agency, the license or certificate is renewed within forty-five (45) days after receipt of the notice.

(d) In administering an examination for licensure or certification, the agency shall make the appropriate application forms available at least thirty (30) days before the deadline for submitting an application to all persons wishing to take the examination.

(e) The agency may require an applicant for license renewal to submit evidence proving that:

(1) the applicant continues to meet the minimum requirements for licensure; and

(2) the applicant is not in violation of:

(A) the statute regulating the applicant's profession; or

(B) rules adopted by the board regulating the applicant's profession.

(f) The agency shall process an application for renewal of a license or certificate:

(1) not later than ten (10) days after the agency receives all required forms and evidence; or

(2) within twenty-four (24) hours after the time that an applicant for renewal appears in person at the agency with all required forms and evidence.

This subsection does not require the agency to issue a renewal license or certificate to an applicant if subsection (g) applies.

(g) The agency may delay issuing a license renewal for up to ~~ninety (90)~~ **one hundred twenty (120)** days after the renewal date for the purpose of permitting the board to investigate information received by the agency that the applicant for renewal may have committed an act for which the applicant may be disciplined. If the agency delays issuing a license renewal, the agency shall notify the applicant that the applicant is being investigated. Except as provided in subsection (h), before the end of the ~~ninety (90)~~ **one hundred twenty (120)** day period, the board shall do one (1) of the following:

(1) Deny the license renewal following a personal appearance by the applicant before the board.

(2) Issue the license renewal upon satisfaction of all other conditions for renewal.

(3) Issue the license renewal and file a complaint under IC 25-1-7.

(4) Request the office of the attorney general to conduct an investigation under subsection (i) if, following a personal appearance by the applicant before the board, the

board has good cause to believe that there has been a violation of IC 25-1-9-4 by the applicant.

(5) Upon agreement of the applicant and the board and following a personal appearance by the applicant before the board, renew the license and place the applicant on probation status under IC 25-1-9-9.

(h) If an individual fails to appear before the board under subsection (g), the board may take action on the applicant's license allowed under subsection (g)(1), (g)(2), or (g)(3).

(i) If the board makes a request under subsection (g)(4), the office of the attorney general shall conduct an investigation. Upon completion of the investigation, the office of the attorney general may file a petition alleging that the applicant has engaged in activity described in IC 25-1-9-4. If the office of the attorney general files a petition, the board shall set the matter for a hearing. If, after the hearing, the board finds the practitioner violated IC 25-1-9-4, the board may impose sanctions under IC 25-1-9-9. The board may delay issuing the renewal beyond the ~~ninety (90)~~ **one hundred twenty (120)** days after the renewal date until a final determination is made by the board. The applicant's license remains valid until the final determination of the board is rendered unless the renewal is denied or the license is summarily suspended under IC 25-1-9-10.

(j) The license of the applicant for a license renewal remains valid during the ~~ninety (90)~~ **one hundred twenty (120)** day period unless the license renewal is denied following a personal appearance by the applicant before the board before the end of the ~~ninety (90)~~ **one hundred twenty (120)** day period. If the ~~ninety (90)~~ **one hundred twenty (120)** day period expires without action by the board, the license shall be automatically renewed at the end of the ~~ninety (90)~~ **one hundred twenty (120)** day period.

(k) Notwithstanding any other statute, the agency may stagger license or certificate renewal cycles. However, if a renewal cycle for a specific board or committee is changed, the agency must obtain the approval of the affected board or committee.

(l) An application for a license, certificate, registration, or permit is abandoned without an action of the board, if the applicant does not complete the requirements to complete the application within one (1) year after the date on which the application was filed. However, the board may, for good cause shown, extend the validity of the application for additional thirty (30) day periods. An application submitted after the abandonment of an application is considered a new application.

SECTION 9. IC 25-1-6-4, AS AMENDED BY P.L.3-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) The licensing agency shall employ necessary staff, including specialists and professionals, to carry out the administrative duties and functions of the boards, including but not limited to:

(1) notice of board meetings and other communication services;

(2) record keeping of board meetings, proceedings, and actions;

(3) record keeping of all persons or individuals licensed, regulated, or certified by a board;

(4) administration of examinations; and

(5) administration of license or certificate issuance or renewal.

(b) In addition, the licensing agency:

(1) shall prepare a consolidated statement of the budget requests of all the boards described in IC 25-0.5-7;

(2) may coordinate licensing or certification renewal cycles, examination schedules, or other routine activities to efficiently utilize licensing agency staff, facilities, and transportation resources, and to improve accessibility of board functions to the public; and

(3) may consolidate, where feasible, office space, record keeping, and data processing services.

(c) In administering the renewal of licenses or certificates under this chapter, the licensing agency shall issue a ~~sixty (60)~~ **ninety (90)** day notice of expiration to all holders of a license or certificate. The notice must inform the holder of a license or certificate of the requirements to:

(1) renew the license or certificate; and

(2) pay the renewal fee.

(d) If the licensing agency fails to send notice of expiration under subsection (c), the holder of the license or certificate is not subject to a sanction for failure to renew if the holder renews the license or certificate not more than forty-five (45) days after the holder receives the notice from the licensing agency.

(e) The licensing agency may require an applicant for a license or certificate renewal to submit evidence showing that the applicant:

(1) meets the minimum requirements for licensure or certification; and

(2) is not in violation of:

(A) the law regulating the applicant's profession; or

(B) rules adopted by the board regulating the applicant's profession.

(f) The licensing agency may delay renewing a license or certificate for not more than ~~ninety (90)~~ **one hundred twenty (120)** days after the renewal date to permit the board to investigate information received by the licensing agency that the applicant for renewal may have committed an act for which the applicant may be disciplined. If the licensing agency delays renewing a license or certificate, the licensing agency shall notify the applicant that the applicant is being investigated. Except as provided in subsection (g), the board shall do one (1) of the following before the expiration of the ~~ninety (90)~~ **one hundred twenty (120)** day period:

(1) Deny renewal of the license or certificate following a personal appearance by the applicant before the board.

(2) Renew the license or certificate upon satisfaction of all other requirements for renewal.

(3) Renew the license and file a complaint under IC 25-1-7.

(4) Request the office of the attorney general to conduct an investigation under subsection (h) if, following a personal appearance by the applicant before the board, the board has good cause to believe that the applicant engaged in activity described in IC 25-1-11-5.

(5) Upon agreement of the applicant and the board and following a personal appearance by the applicant before the board, renew the license or certificate and place the applicant on probation status under IC 25-1-11-12.

(g) If an applicant fails to appear before the board under subsection (f), the board may take action as provided in subsection (f)(1), (f)(2), or (f)(3).

(h) If the board makes a request under subsection (f)(4), the office of the attorney general shall conduct an investigation. Upon completion of the investigation, the office of the attorney general may file a petition alleging that the applicant has engaged in activity described in IC 25-1-11-5. If the office of the attorney general files a petition, the board shall set the matter for a public hearing. If, after a public hearing, the board finds the applicant violated IC 25-1-11-5, the board may impose sanctions under IC 25-1-11-12. The board may delay renewing a license or certificate beyond ~~ninety (90)~~ **one hundred twenty (120)** days after the renewal date until a final determination is made by the board. The applicant's license or certificate remains valid until the final determination of the board is rendered unless the renewal is:

(1) denied; or

(2) summarily suspended under IC 25-1-11-13.

(i) The license or certificate of the applicant for license renewal remains valid during the ~~ninety (90)~~ **one hundred twenty (120)** day period unless the license or certificate is denied following a personal appearance by the applicant before the board before the end of the ~~ninety (90)~~ **one hundred twenty**

(120) day period. If the ~~ninety (90)~~ **one hundred twenty (120)** day period expires without action by the board, the license or certificate shall be automatically renewed at the end of the ~~ninety (90)~~ **one hundred twenty (120)** day period.

(j) Notwithstanding any other law, the licensing agency may stagger license or certificate renewal cycles.

(k) An application for a license or certificate is abandoned without an action by the board if the applicant does not complete the requirements for obtaining the license or certificate not more than one (1) year after the date on which the application was filed. However, the board may, for good cause shown, extend the validity of the application for additional thirty (30) day periods. An application submitted after the abandonment of an application is considered a new application.

SECTION 10. IC 25-1-8-8, AS ADDED BY P.L.197-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) As used in this section, "board" has the meaning set forth in section 6(a) of this chapter.

(b) The licensing agency may delay reinstating a license, certificate, or registration for not more than ~~ninety (90)~~ **one hundred twenty (120)** days after the date the applicant applies for reinstatement of a license, certificate, or registration to permit the board to investigate information received by the licensing agency that the applicant for reinstatement may have committed an act for which the applicant may be disciplined. If the licensing agency delays reinstating a license, certificate, or registration, the licensing agency shall notify the applicant that the applicant is being investigated. Except as provided in subsection (c), the board shall do one (1) of the following before the expiration of the ~~ninety (90)~~ **one hundred twenty (120)** day period:

(1) Deny reinstatement of the license, certificate, or registration following a personal appearance by the applicant before the board.

(2) Reinstate the license, certificate, or registration upon satisfaction of all other requirements for reinstatement.

(3) Reinstate the license and file a complaint under IC 25-1-7.

(4) Request the office of the attorney general to conduct an investigation under subsection (d) if, following a personal appearance by the applicant before the board, the board has good cause to believe that the applicant engaged in activity described in IC 25-1-9-4 or IC 25-1-11-5.

(5) Upon agreement of the applicant and the board and following a personal appearance by the applicant before the board, reinstate the license, certificate, or registration and place the applicant on probation status under IC 25-1-9-9 or IC 25-1-11-12.

(c) If an applicant fails to appear before the board under subsection (b), the board may take action as provided in subsection (b)(1), (b)(2), or (b)(3).

(d) If the board makes a request under subsection (b)(4), the office of the attorney general shall conduct an investigation. Upon completion of the investigation, the office of the attorney general may file a petition alleging that the applicant has engaged in activity described in IC 25-1-9-4 or IC 25-1-11-5. If the office of the attorney general files a petition, the board shall set the matter for a public hearing. If, after a public hearing, the board finds that the applicant violated IC 25-1-9-4 or IC 25-1-11-5, the board may impose sanctions under IC 25-1-9-9 or IC 25-1-11-12. The board may delay reinstating a license, certificate, or registration beyond ~~ninety (90)~~ **one hundred twenty (120)** days after the date the applicant files an application for reinstatement of a license, certificate, or registration until a final determination is made by the board.

(e) The license, certificate, or registration of the applicant for license reinstatement remains invalid during the ~~ninety (90)~~ **one hundred twenty (120)** day period unless:

(1) the license, certificate, or registration is reinstated following a personal appearance by the applicant before the board before the end of the ~~ninety (90)~~ **one hundred twenty (120)** day period;

(2) the board issues a conditional license to the practitioner that is effective until the reinstatement is denied or the license is reinstated; or

(3) the reinstatement is denied.

If the ~~ninety (90)~~ **one hundred twenty (120)** day period expires without action by the board, the license, certificate, or registration shall be automatically reinstated at the end of the ~~ninety (90)~~ **one hundred twenty (120)** day period.

SECTION 11. IC 25-2.1-4-2, AS AMENDED BY P.L.105-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) **Subject to IC 25-1-2-6(e),** an initial and renewed certificate expires on the date established by the licensing agency under IC 25-1-6-4.

(b) An individual may renew a certificate by paying a renewal fee and complying with the continuing education requirements established under section 5 of this chapter on or before the expiration date of the certificate.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a certificate, the certificate becomes invalid without further action by the board.

(d) If an individual holds a certificate that has been invalid for not more than three (3) years, the board shall reinstate the certificate if the individual meets the requirements of IC 25-1-8-6(c).

(e) If more than three (3) years have elapsed since the date a certificate expired, the individual who holds the certificate may seek reinstatement of the certificate by satisfying the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 12. IC 25-2.5-2-5, AS AMENDED BY P.L.105-2008, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) **Subject to IC 25-1-2-6(e),** a license issued by the board expires on the date established by the agency under IC 25-1-5-4 in each even-numbered year.

(b) To renew a license, an acupuncturist must:

(1) pay a renewal fee not later than the expiration date of the license; and

(2) submit proof of current active licensure in acupuncture by the National Certification Commission for Acupuncture and Oriental Medicine.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a license, the license becomes invalid without further action by the board.

(d) If an individual holds a license that has been invalid for not more than three (3) years, the board shall reinstate the license if the individual meets the requirements of IC 25-1-8-6(c).

(e) If more than three (3) years have elapsed since the date a license expired, the individual who holds the license may seek reinstatement of the license by satisfying the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 13. IC 25-4-1-14, AS AMENDED BY P.L.105-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 14. (a) **Subject to IC 25-1-2-6(e),** every registered architect who continues in active practice shall, biennially, on or before the date established by the licensing agency under IC 25-1-6-4, renew the registered architect's certificate of registration and pay the required renewal fee.

(b) An architect registered or licensed in Indiana who has failed to renew the architect's certificate of registration for a period of not more than five (5) years may have the certificate of registration reinstated by meeting the requirements of IC 25-1-8-6(c).

(c) An architect registered in Indiana who has failed to renew the architect's certificate of registration for more than five (5) years may have the certificate of registration reinstated by satisfying the requirements for reinstatement under IC 25-1-8-6(d).

(d) If any registered architect desires to retire from the practice of architecture in Indiana, the architect may submit to the board the architect's verified statement of intention to withdraw from practice. The statement shall be entered upon the records of the board. During the period of the architect's retirement, the architect is not liable for any renewal or restoration fees.

(e) If any retired architect desires to return to the practice of architecture in Indiana, the retired architect must meet the following requirements:

(1) If the certificate of registration has been expired for not more than five (5) years, the retired architect must:

(A) file with the board a verified statement indicating the architect's desire to return to the practice of architecture; and

(B) pay a renewal fee equal to the fee set by the board to renew an unexpired registration under this chapter.

(2) If the certificate of registration has been expired for more than five (5) years, the retired architect must:

(A) file with the board a verified statement indicating the architect's desire to return to the practice of architecture;

(B) pay a renewal fee equal to the fee set by the board to renew an unexpired registration under this chapter; and

(C) complete remediation and additional training established by the board based on the length of time the certificate of registration has been expired.

SECTION 14. IC 25-5.1-3-4, AS AMENDED BY P.L.1-2006, SECTION 421, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) **Subject to IC 25-1-2-6(e), after a three (3) year renewal cycle ending December 31, 2017,** a license issued by the board expires on a date established by the agency under IC 25-1-5-4 in each ~~even-numbered~~ **odd-numbered** year.

(b) An individual may renew a license by paying a renewal fee not later than the expiration date of the license.

(c) If an individual fails to timely pay a renewal fee as required by subsection (b), the individual's license becomes invalid without any action being taken by the board.

SECTION 15. IC 25-6.1-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. ~~Meetings.~~ (a) The commission shall, ~~meet~~ **at its first meeting** each ~~January,~~ **year,** at a time and place established by the chairman, ~~to~~ conduct an election of officers and such other business as may be appropriate. The commission shall also meet upon the call of the chairman or upon the request of any two (2) members of the commission. The secretary shall provide reasonable notice of the time and place of each meeting to all members.

(b) Three (3) members constitute a quorum for the purpose of transacting business. A majority vote of the commission is necessary to bind the commission.

SECTION 16. IC 25-6.1-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) At the **first** meeting ~~to be~~ held each ~~January,~~ **year,** the commission shall elect from its membership a chairman and a vice chairman. Each officer shall serve for a term of one (1) year and until ~~his~~ **the officer's** successor is elected.

(b) The chairman shall preside at all meetings of the commission.

(c) The vice chairman shall act as presiding officer in the absence of the chairman and shall perform such other duties as the chairman may direct.

(d) The commission shall be provided with an executive secretary by the licensing agency. The person provided may not be a member of the commission.

(e) The executive secretary, through the licensing agency, shall:

(1) notify all members of meetings;

(2) keep a record of all meetings of the commission, votes taken by the commission, and other proceedings, transactions, communications, official acts, and records of the commission; and

(3) perform other duties as the chairman directs.

SECTION 17. IC 25-6.1-3-2, AS AMENDED BY P.L.59-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) Every individual, before acting as an auctioneer, must obtain a license from the commission.

(b) An applicant for a license must:

(1) be at least eighteen (18) years of age;

(2) have completed at least eighty (80) actual hours of auction instruction from a course provider approved by the commission;

(3) not have a conviction for:

(A) an act which would constitute a ground for disciplinary sanction under IC 25-1-11; or

(B) a felony that has a direct bearing on the applicant's ability to practice competently.

(c) Auction instruction required under subsection (b) must provide the applicant with knowledge of all of the following:

(1) The value of real estate and of various goods commonly sold at an auction.

(2) Bid calling.

(3) Sale preparation, sale advertising, and sale summary.

(4) Mathematics.

(5) The provisions of this article and the commission's rules.

(6) Any other subject matter approved by the commission.

(d) An individual seeking an initial license as an auctioneer under this article shall file with the commission a completed application on the form prescribed by the commission. When filing an application for an auctioneer license, each individual shall pay a nonrefundable examination fee established by the commission under IC 25-1-8-2.

(e) When applying for a renewal of an auctioneer license, each individual shall do the following:

(1) Apply in a manner required by the commission, including certification by the applicant that the applicant has complied with the requirements of IC 25-6.1-9-8, unless the commission has granted the applicant a waiver under IC 25-6.1-9-9.

(2) Pay the renewal fee established by the commission under IC 25-1-8-2.

(f) Upon the receipt of a completed application for an initial or a renewal license, the commission shall examine the application and may verify the information contained therein.

(g) An applicant who is seeking an initial license must pass an examination approved by the commission that covers subjects and topics of knowledge required to practice as an auctioneer. The commission shall hold examinations as the commission may prescribe.

(h) The commission shall issue an auctioneer's license, in such form as it may prescribe, to each individual who meets all of the requirements for licensing and pays the appropriate fees.

(i) Auctioneer licenses shall be issued for a term of four (4) years. **Subject to IC 25-1-2-6(e),** a license expires at midnight on the date established by the licensing agency under IC 25-1-6-4 and every fourth year thereafter, unless renewed before that date. If the license has expired, it may be reinstated not later than four (4) years after the date it expired if the license holder meets the requirements of IC 25-1-8-6(c).

(j) If a license has expired for a period of more than four (4) years, the holder of the license may have the license reinstated by satisfying the requirements for reinstatement under IC 25-1-8-6(d).

(k) The commission may waive the requirement that a nonresident applicant pass an examination and that the nonresident submit written statements by two (2) individuals, if the nonresident applicant:

(1) is licensed to act as an auctioneer in the state of the applicant's domicile;
(2) submits with the application a duly certified letter of certification issued by the licensing board of the applicant's domiciliary state;
(3) is a resident of a state whose licensing requirements are substantially equal to the requirements of Indiana;
(4) is a resident of a state that grants the same privileges to the licensees of Indiana; and
(5) includes with the application an irrevocable consent that actions may be commenced against the applicant. The consent shall stipulate that service of process or pleadings on the commission shall be taken and held in all courts as valid and binding as if service of process had been made upon the applicant personally within this state. If any process or pleading mentioned in this subsection is served upon the commission, it shall be by duplicate copies. One (1) of the duplicate copies shall be filed in the office of the commission and one (1) shall be immediately forwarded by the commission by registered or certified mail to the applicant against whom the process or pleadings are directed.

(l) The commission may enter into a reciprocal agreement with another state concerning nonresident applicants.

SECTION 18. IC 25-8-4-17, AS AMENDED BY P.L.170-2013, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17. (a) **Subject to IC 25-1-2-6(e), and** except for an instructor license issued under subsection (c) or IC 25-8-6-1, a license issued under this article expires on a date specified by the licensing agency under IC 25-1-6-4 and expires four (4) years after the initial expiration date.

(b) A license issued to an instructor under IC 25-8-6-1 expires at the time that the instructor's practitioner license expires. The board shall renew an instructor's license under this subsection concurrently with the instructor's practitioner license.

(c) **Subject to IC 25-1-2-6(e),** initial provisional licenses are valid for a length of time determined by the board, but not to exceed two (2) years.

SECTION 19. IC 25-8-4-19, AS AMENDED BY P.L.105-2008, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 19. The board shall renew a license if the license holder pays the fee established by the board under IC 25-1-8-2 to renew the license before the license is to expire. **IC 25-1-2-6(e) applies to the expiration and renewal of a license issued under this article.**

SECTION 20. IC 25-8-13-3, AS AMENDED BY P.L.170-2013, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) The board shall charge a fee established by the board under IC 25-1-8-2 for an application to issue or renew a beauty culture school license. **IC 25-1-2-6(e) applies to the issuance and renewal of a beauty culture school license.**

(b) The board shall charge a fee established under IC 25-1-8-6 for reinstating a beauty culture school license.

SECTION 21. IC 25-8-13-4, AS AMENDED BY P.L.84-2010, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing or renewing an instructor license. **IC 25-1-2-6(e) applies to the issuance and renewal of an instructor license.**

(b) The board shall charge a fee established under IC 25-1-8-6 for reinstating an instructor license.

SECTION 22. IC 25-8-13-5, AS AMENDED BY P.L.170-2013, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing or renewing a beauty culture salon license. **IC 25-1-2-6(e) applies to the issuance and renewal of a beauty culture salon license.**

(b) The board shall charge a fee established under IC 25-1-8-6 for reinstating a beauty culture salon license.

SECTION 23. IC 25-8-13-7, AS AMENDED BY P.L.157-2006, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) The board shall charge a fee established by the board under IC 25-1-8-2 for providing an examination to an applicant for a cosmetologist license.

(b) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing or renewing a cosmetologist license. **IC 25-1-2-6(e) applies to the issuance and renewal of a cosmetologist license.**

(c) The board shall charge a fee established under IC 25-1-8-6 for reinstating a cosmetologist license.

(d) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing an Indiana cosmetologist license to a person who holds a license from another jurisdiction that meets the requirements set forth in IC 25-8-4-2.

SECTION 24. IC 25-8-13-8, AS AMENDED BY P.L.157-2006, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) The board shall charge a fee established by the board under IC 25-1-8-2 for providing an examination to an applicant for an electrologist license.

(b) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing or renewing an electrologist license. **IC 25-1-2-6(e) applies to the issuance and renewal of an electrologist license.**

(c) The board shall charge a fee established under IC 25-1-8-6 for reinstating an electrologist license.

(d) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing a license to a person who holds an electrologist license from another jurisdiction that meets the requirements under IC 25-8-4-2.

SECTION 25. IC 25-8-13-9, AS AMENDED BY P.L.157-2006, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) The board shall charge a fee established by the board under IC 25-1-8-2 for providing an examination to an applicant for a manicurist license.

(b) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing or renewing a manicurist license. **IC 25-1-2-6(e) applies to the issuance and renewal of a manicurist license.**

(c) The board shall charge a fee required under IC 25-1-8-6 for reinstating a manicurist license.

(d) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing a license to a person who holds a manicurist license from another jurisdiction that meets the requirements under IC 25-8-4-2.

SECTION 26. IC 25-8-13-11, AS AMENDED BY P.L.157-2006, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) The board shall charge a fee established by the board under IC 25-1-8-2 for providing an examination to an applicant for an esthetician license.

(b) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing or renewing an esthetician license. **IC 25-1-2-6(e) applies to the issuance and renewal of an esthetician license.**

(c) The board shall charge a fee established under IC 25-1-8-6 for reinstating an esthetician license.

(d) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing a license to a person who holds an esthetician license from another jurisdiction that meets the requirements under IC 25-8-4-2.

SECTION 27. IC 25-8-13-12.1, AS ADDED BY P.L.84-2010, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12.1. (a) The board shall establish fees under IC 25-1-8-2 for providing an

examination to an applicant for a barber license.

(b) The board shall establish fees under IC 25-1-8-2 for issuing or renewing a barber license. **IC 25-1-2-6(e) applies to the issuance and renewal of a barber license.**

(c) The board shall charge a fee established under IC 25-1-8-6 for reinstating a barber license.

(d) The board shall charge a fee established by the board under IC 25-1-8-2 for issuing a license to a person who holds a barber license from another jurisdiction that meets the requirements under IC 25-8-4-2.

SECTION 28. IC 25-8-15.4-9, AS AMENDED BY P.L.105-2008, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) **Subject to IC 25-1-2-6(e),** a license issued under this chapter expires every fourth year on a date established by the licensing agency under IC 25-1-6-4.

(b) The board shall renew a license issued under this chapter if the person that operates the facility pays the fee for renewal established by the board under IC 25-1-8-2 on or before the date established by the licensing agency.

(c) If the holder of a license does not renew the license on or before the renewal date established by the licensing agency, the license expires and becomes invalid without any action by the board.

SECTION 29. IC 25-10-1-6, AS AMENDED BY P.L.105-2008, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) **Subject to IC 25-1-2-6(e),** a license issued under this chapter is valid until the next renewal date described under subsection (b).

(b) **Subject to IC 25-1-2-6(e),** all licenses issued by the board shall be subject to renewal biennially on a date established by the licensing agency under IC 25-1-5-4. A renewal license fee established by the board under IC 25-1-8-2 must be paid to the board on or before the date established by the licensing agency, and if not paid on or before that date, the license expires and becomes invalid without any action taken by the board.

(c) An individual whose license has been expired for not more than three (3) years may have the license reinstated upon meeting the requirements for reinstatement under IC 25-1-8-6(c).

(d) If more than three (3) years have elapsed since the date a license under this chapter expired, the individual holding the license may have the license reinstated by satisfying the requirements for reinstatement under IC 25-1-8-6(d).

(e) A license must be displayed in the office or the place of practice of the licensee.

(f) Each applicant for renewal shall furnish evidence of attendance during each preceding licensing year at not less than one (1) chiropractic educational conference or seminar approved by the board. The conference or seminar may be conducted by an established chiropractic organization or college. This requirement does not apply to the applicant's first licensing year. If an applicant fails to comply with this subsection, the applicant's license expires and becomes invalid at midnight of the renewal date and may be reinstated only upon application and the payment of a fee established by the board and proper showing to the board that there has been a makeup by the applicant of the omitted educational work.

(g) Any chiropractor licensed to practice chiropractic in this state who intends to retire from practice shall notify the board in writing of the chiropractor's intention to retire and shall surrender the license to the board. Upon receipt of this notice and license, the board shall record the fact that the chiropractor is retired and excuse the person from further payment of license renewal fees and attendance at license renewal seminars. If any chiropractor surrenders the license to practice chiropractic in this state, the chiropractor's reinstatement may be considered by the board on the chiropractor's written request. If any disciplinary proceedings under this chapter are pending against a chiropractor, the chiropractor may not surrender the license without the written approval of the board.

(h) Any chiropractor licensed to practice chiropractic in this state who intends to become inactive in the practice of chiropractic shall notify the board in writing that the chiropractor will not maintain an office or practice chiropractic in Indiana. The board shall then classify the chiropractor's license as inactive. The renewal fee of the inactive license is one-half (1/2) of the license renewal fee, and the chiropractor shall not be required to attend license renewal seminars. If a chiropractor holding an inactive license intends to maintain an office or practice chiropractic, the chiropractor shall notify the board of that intent. The board may reinstate that chiropractor's license upon notification and receipt of:

(1) an application;

(2) payment of the current renewal fee;

(3) payment of the current reinstatement fee; and

(4) evidence of attendance of one (1) educational conference approved by the board for each year or portion of a year of inactive license classification.

(i) The board shall discipline a practitioner of the chiropractic in accordance with IC 25-1-9.

SECTION 30. IC 25-13-1-8, AS AMENDED BY P.L.264-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) A license to practice dental hygiene in Indiana may be issued to candidates who pass an examination administered by an entity that has been approved by the board. **Subject to IC 25-1-2-6(e),** the license shall be valid for the remainder of the renewal period in effect on the date the license was issued.

(b) Prior to the issuance of the license, the applicant shall pay a fee set by the board under section 5 of this chapter. **Subject to IC 25-1-2-6(e),** a license issued by the board expires on a date specified by the Indiana professional licensing agency under IC 25-1-5-4(k) of each even-numbered year.

(c) **Subject to IC 25-1-2-6(e),** an applicant for license renewal must satisfy the following conditions:

(1) Pay:

(A) the renewal fee set by the board under section 5 of this chapter on or before the renewal date specified by the Indiana professional licensing agency in each even-numbered year; and

(B) a compliance fee of twenty dollars ($20) to be deposited in the dental compliance fund established by IC 25-14-1-3.7.

(2) Subject to IC 25-1-4-3, provide the board with a sworn statement signed by the applicant attesting that the applicant has fulfilled the continuing education requirements under IC 25-13-2.

(3) Be currently certified or successfully complete a course in basic life support through a program approved by the board. The board may waive the basic life support requirement for applicants who show reasonable cause.

(d) If the holder of a license does not renew the license on or before the renewal date specified by the Indiana professional licensing agency, the license expires and becomes invalid without any action by the board.

(e) A license invalidated under subsection (d) may be reinstated by the board in three (3) years or less after such invalidation if the holder of the license meets the requirements under IC 25-1-8-6(c).

(f) If a license remains invalid under subsection (d) for more than three (3) years, the holder of the invalid license may obtain a reinstated license by meeting the requirements for reinstatement under IC 25-1-8-6(d). The board may require the licensee to participate in remediation or pass an examination administered by an entity approved by the board.

(g) The board may require the holder of an invalid license who files an application under this subsection to appear before the board and explain why the holder failed to renew the license.

(h) The board may adopt rules under section 5 of this chapter establishing requirements for the reinstatement of a license that

has been invalidated for more than three (3) years.

(i) The license to practice must be displayed at all times in plain view of the patients in the office where the holder is engaged in practice. No person may lawfully practice dental hygiene who does not possess a license and its current renewal.

(j) Biennial renewals of licenses are subject to the provisions of IC 25-1-2.

SECTION 31. IC 25-14-1-3.1, AS AMENDED BY P.L.6-2012, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3.1. (a) A dentist must have a permit to administer:

(1) general anesthesia/deep sedation; or

(2) moderate sedation using a parenteral route of administration;

to a patient.

(b) The board shall establish by rule the educational and training requirements for the issuance and renewal of a permit required by subsection (a).

(c) The board shall establish the requirements for a program of education and training for pediatric anesthesiology.

(d) The requirements for a permit issued under this section must be based on the current American Dental Association's "Guidelines for Teaching Pain Control and Sedation to Dentists and Dental Students", as adopted by the American Dental Association House of Delegates.

(e) **Subject to IC 25-1-2-6(e),** a permit issued under this section must be renewed biennially.

SECTION 32. IC 25-14-1-10, AS AMENDED BY P.L.264-2013, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) **Subject to IC 25-1-2-6(e),** unless renewed, a license issued by the board expires on a date specified by the agency under IC 25-1-5-4(k). An applicant for renewal shall pay the renewal fee set by the board under section 13 of this chapter on or before the renewal date specified by the agency. In addition to the renewal fee set by the board, an applicant for renewal shall pay a compliance fee of twenty dollars ($20) to be deposited in the dental compliance fund established by section 3.7 of this chapter.

(b) The license shall be properly displayed at all times in the office of the person named as the holder of the license, and a person may not be considered to be in legal practice if the person does not possess the license and renewal card.

(c) If a holder of a dental license does not renew the license on or before the renewal date specified by the agency, without any action by the board the license together with any related renewal card is invalidated.

(d) Except as provided in section 27.1 of this chapter, a license invalidated under subsection (c) may be reinstated by the board in three (3) years or less after its invalidation if the holder of the license meets the requirements under IC 25-1-8-6(c).

(e) Except as provided in section 27.1 of this chapter, if a license remains invalid under subsection (c) for more than three (3) years, the holder of the invalid license may obtain a reinstated license by satisfying the requirements for reinstatement under IC 25-1-8-6(d).

(f) The board may require the holder of an invalid license who files an application under this subsection to appear before the board and explain why the holder failed to renew the license.

(g) The board may adopt rules under section 13 of this chapter establishing requirements for the reinstatement of a license that has been invalidated for more than three (3) years. The fee for a duplicate license to practice as a dentist is subject to IC 25-1-8-2.

(h) Biennial renewal of licenses is subject to IC 25-1-2.

(i) Subject to IC 25-1-4-3, an application for renewal of a license under this section must contain a sworn statement signed by the applicant attesting that the applicant has fulfilled the continuing education requirements under IC 25-14-3.

SECTION 33. IC 25-14.3-4 IS REPEALED [EFFECTIVE JULY 1, 2015]. (License Revocation or Suspension).

SECTION 34. IC 25-14.5-6-1, AS AMENDED BY P.L.1-2006, SECTION 437, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) **Subject to IC 25-1-2-6(e),** a certificate issued by the board expires on a date established by the agency under IC 25-1-5-4 in the next even-numbered year following the year in which the certificate was issued.

(b) An individual may renew a certificate by paying a renewal fee on or before the expiration date of the certificate.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a certificate, the certificate becomes invalid.

SECTION 35. IC 25-14.5-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. A certified dietitian may renew a certificate by:

(1) paying a renewal fee as set by the board; and

(2) subject to IC 25-1-4-3, providing a sworn statement attesting that the certified dietitian has completed the continuing education required by the board.

IC 25-1-2-6(e) applies to the issuance and renewal of a certificate under this article.

SECTION 36. IC 25-14.5-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) The board shall mail an application for renewal to a certified dietitian at least ~~sixty (60)~~ **ninety (90)** days before the date on which the certified dietitian's certificate expires.

(b) The application must be mailed to the certified dietitian's most recent address as it appears on the record of the board.

(c) A certified dietitian filing for renewal of a certificate must:

(1) satisfactorily complete the renewal application;

(2) return the application to the board; and

(3) submit to the board the required renewal fee;

before expiration of the certified dietitian's current certificate.

(d) Upon receipt of the application and fee submitted under subsection (c), the board shall:

(1) verify the accuracy of the application;

(2) determine whether the continuing education requirement has been met; and

(3) verify that all other requirements under this article have been met.

(e) When the board is satisfied that all conditions under subsection (d) have been met, the board shall issue to the applicant a notice of certificate renewal that shall be valid for two (2) years.

SECTION 37. IC 25-15-6-1, AS AMENDED BY P.L.105-2008, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) **Subject to IC 25-1-2-6(e) and** except as provided in subsection (b), a license issued under this article expires on the date established by the licensing agency under IC 25-1-6-4.

(b) A funeral director intern license expires two (2) years after it is issued by the board.

SECTION 38. IC 25-17.3-4-5, AS ADDED BY P.L.177-2009, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) **Subject to IC 25-1-2-6(e),** a license issued by the board expires on the date established by the agency under IC 25-1-5-4 in even-numbered years.

(b) To renew a license, a genetic counselor shall:

(1) pay a renewal fee not later than the expiration date of the license; and

(2) meet all other requirements for renewal under this chapter.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a license, the license becomes invalid without further action by the board.

(d) If an individual holds a license that has been invalid for not more than three (3) years, the board shall reinstate the license if the individual meets the requirements of IC 25-1-8-6(c).

(e) If more than three (3) years have elapsed since the date a

license has expired, the individual who holds the expired license may seek reinstatement of the license by satisfying the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 39. IC 25-19-1-9, AS AMENDED BY P.L.105-2008, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) **Subject to IC 25-1-2-6(e),** every holder of a health facility administrator's license shall renew the license on the date established by the licensing agency under IC 25-1-5-4. The renewals shall be granted as a matter of course, unless the board finds, after due notice and hearing, that the applicant has acted or failed to act in a manner or under circumstances that would constitute grounds for nonrenewal, suspension, or revocation of a license.

(b) **Subject to IC 25-1-2-6(e),** a health facility administrator's license expires at midnight on the renewal date specified by the Indiana professional licensing agency. Failure to renew a license on or before the renewal date automatically renders the license invalid.

(c) A person who fails to renew a license before it expires and becomes invalid at midnight of the renewal date shall be reinstated by the board if the person applies for reinstatement not later than three (3) years after the expiration of the license and meets the requirements under IC 25-1-8-6(c).

(d) The board may reinstate a person who applies to reinstate a license under this section more than three (3) years after the date the license expires and becomes invalid if the person applies to the board for reinstatement and meets the requirements for reinstatement established by the board under IC 25-1-8-6(d).

(e) The board may require an applicant under subsection (d) to appear before the board to explain the applicant's failure to renew.

SECTION 40. IC 25-20-1-12, AS AMENDED BY P.L.105-2008, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) The committee shall issue hearing aid dealer certificates of registration. ~~that,~~ **Subject to IC 25-1-2-6(e), hearing aid dealer certificates of registration** expire biennially on the date established by the licensing agency under IC 25-1-5-4. To renew a hearing aid dealer certificate of registration, the holder of the certificate must pay a renewal fee set by the committee on or before the date established by the licensing agency.

(b) **Subject to IC 25-1-2-6(e),** if the holder of a certificate does not renew the holder's hearing aid dealer certificate of registration on or before the date established by the licensing agency, the certificate expires without any action taken by the board.

(c) A holder of a hearing aid dealer certificate of registration that expires under this section may have the certificate reinstated by the committee if, not later than three (3) years after the license expires, the holder meets the requirements under IC 25-1-8-6(c).

(d) A person who applies for reinstatement of a certificate of registration under this section more than three (3) years after the date the registration expires and becomes invalid may apply for reinstatement by meeting the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 41. IC 25-20.2-3-2, AS AMENDED BY P.L.127-2012, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) The board is composed of seven (7) members appointed by the governor as follows:

(1) Four (4) members, each of whom:
(A) is licensed in Indiana as a home inspector; and
(B) has been actively engaged in performing home inspections in Indiana for at least five (5) years immediately before the member's appointment to the board.

(2) One (1) member who:
(A) is a home builder; and
(B) has been actively engaged in home building in Indiana for at least five (5) years immediately before the member's appointment to the board.

(3) One (1) member who:
(A) is a licensed real estate broker under IC 25-34.1-3-4.1; and
(B) has been actively engaged in selling, trading, exchanging, optioning, leasing, renting, managing, listing, or appraising residential real estate in Indiana for at least five (5) years immediately before the member's appointment to the board.

(4) One (1) member who represents the public at large and is not associated with the home inspection, home building, or real estate business other than as a consumer.

(b) The members of the board must be residents of Indiana.

(c) All members of the board serve at the will and pleasure of the governor.

SECTION 42. IC 25-20.2-6-1, AS AMENDED BY P.L.194-2005, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. **Subject to IC 25-1-2-6(e),** a license for a home inspector issued under this article expires on a date established by the licensing agency under IC 25-1-6-4 and shall be renewed biennially upon payment of the required renewal fees.

SECTION 43. IC 25-20.2-6-2, AS AMENDED BY P.L.105-2008, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) An individual who applies to renew a license as a licensed home inspector must:

(1) furnish evidence showing successful completion of the continuing education requirements of this chapter; and
(2) pay the renewal fee established by the board.

(b) **Subject to IC 25-1-2-6(e),** if the holder of a license does not renew the license on or before the renewal date specified by the licensing agency, the license expires and becomes invalid without any action by the board.

(c) A license may be reinstated by the board not later than (3) years after the expiration of the license if the applicant for reinstatement meets the requirements for reinstatement under IC 25-1-8-6(c).

(d) If a license has been expired for more than three (3) years, the license may be reinstated by the board if the holder meets the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 44. IC 25-20.7-2-11, AS ADDED BY P.L.177-2009, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. A registered interior designer who continues to actively practice interior design shall:

(1) renew the registration not more than ninety (90) days before the expiration of the registration; and
(2) pay the renewal fee under IC 25-20.7-3.

IC 25-1-2-6(e) applies to the renewal of the registration of a registered interior designer under this article.

SECTION 45. IC 25-21.5-8-1, AS AMENDED BY P.L.105-2008, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) **Subject to IC 25-1-2-6(e),** a certificate of registration expires biennially on the date established by the licensing agency under IC 25-1-6-4.

(b) An individual may renew a certificate of registration by paying a renewal fee on or before the expiration date established by the licensing agency.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a certificate of registration, the certificate of registration becomes invalid without any action of the board.

(d) A certificate of registration may be reinstated by the board not later than three (3) years after its expiration if the applicant for reinstatement meets the requirements for reinstatement under IC 25-1-8-6(c).

(e) If a certificate of registration has been expired for more than three (3) years, the certificate of registration may be

reinstated by the board if the holder meets the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 46. IC 25-21.8-6-1, AS ADDED BY P.L.200-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. **(a) Subject to IC 25-1-2-6(e),** a certification issued by the board is valid for four (4) years.

(b) A certification **expires:**

(1) ~~expires~~ at midnight on the date established by the licensing agency under IC 25-1-6-4, **subject to IC 25-1-2-6(e);** and

(2) every four (4) years thereafter, unless renewed before that date.

SECTION 47. IC 25-22.5-2-8, AS AMENDED BY P.L.154-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) The board shall implement a program to investigate and assess a civil penalty of not more than one thousand dollars ($1,000) against a physician licensed under this article for the following violations:

(1) Licensure renewal fraud.

(2) Improper termination of a physician and patient relationship.

(3) Practicing with an expired medical license.

(4) Providing office based anesthesia without the proper accreditation.

(5) Failure to perform duties required for issuing birth or death certificates.

(6) Failure to disclose, or negligent omission of, documentation requested for licensure renewal.

(7) Failure to complete or timely transmit a pregnancy termination form under IC 16-34-2-5, with each failure constituting a separate violation.

(b) An individual who is investigated by the board and found by the board to have committed a violation specified in subsection (a) may appeal the determination made by the board in accordance with IC 4-21.5.

(c) In accordance with the federal Health Care Quality Improvement Act (42 U.S.C. 11132), the board shall report a disciplinary board action that is subject to reporting to the National Practitioner Data Bank. However, the board may not report board action against a physician for only an administrative penalty described in subsection (a). The board's action concerning disciplinary action or an administrative penalty described in subsection (a) shall be conducted at a hearing that is open to the public.

(d) The physician compliance fund is established to provide funds for administering and enforcing the investigation of violations specified in subsection (a). The fund shall be administered by the Indiana professional licensing agency.

(e) The expenses of administering the physician compliance fund shall be paid from the money in the fund. The fund consists of penalties collected through investigations and assessments by the board concerning violations specified in subsection (a). Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 48. IC 25-22.5-7-1, AS AMENDED BY P.L.105-2008, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) **Subject to IC 25-1-2-6(e),** a license issued under this article expires biennially on the date established by the licensing agency under IC 25-1-5-4. On or before the date established by the licensing agency, an applicant for renewal shall pay the biennial renewal fee set by the board under IC 25-1-8-2.

(b) **Subject to IC 25-1-2-6(e),** if the holder of a license does not renew the license on or before the date established by the licensing agency, the license expires and becomes invalid without any action taken by the board.

(c) A license that becomes invalid under subsection (b) may be reinstated by the board not later than three (3) years after the invalidation if the holder of the invalid license meets the requirements for reinstatement under IC 25-1-8-6(c).

(d) If a license that becomes invalid under this section is not reinstated by the board not later than three (3) years after its invalidation, the holder of the invalid license must meet the requirements for reinstatement established by the board under IC 25-1-8-6(d).

(e) A licensee whose license is reinstated under subsection (d) may be issued a provisional license under IC 25-22.5-5-2.7.

(f) The board may adopt rules under IC 25-22.5-2-7 establishing requirements for the reinstatement of a lapsed license.

SECTION 49. IC 25-23-1-16.1, AS AMENDED BY P.L.134-2008, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16.1. (a) **Subject to IC 25-1-2-6(e),** a license to practice as a registered nurse expires on October 31 in each odd-numbered year. Failure to renew the license on or before the expiration date will automatically render the license invalid without any action by the board.

(b) **Subject to IC 25-1-2-6(e),** a license to practice as a licensed practical nurse expires on October 31 in each even-numbered year. Failure to renew the license on or before the expiration date will automatically render the license invalid without any action by the board.

(c) The procedures and fee for renewal shall be set by the board.

(d) At the time of license renewal, each registered nurse and each licensed practical nurse shall pay a renewal fee, a portion of which shall be for the rehabilitation of impaired registered nurses and impaired licensed practical nurses. The lesser of the following amounts from fees collected under this subsection shall be deposited in the impaired nurses account of the state general fund established by section 34 of this chapter:

(1) Twenty-five percent (25%) of the license renewal fee per license renewed under this section.

(2) The cost per license to operate the impaired nurses program, as determined by the Indiana professional licensing agency.

SECTION 50. IC 25-23-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. (a) **Subject to IC 25-1-2-6(e),** any person who fails to renew a license before it expires shall be reinstated by the board upon meeting the requirements under IC 25-1-8-6.

(b) A person who fails to apply to reinstate a license under this section within three (3) years after the date it expires may be issued a license by the board if the person meets the requirements under IC 25-1-8-6.

SECTION 51. IC 25-23.4-3-4, AS ADDED BY P.L.232-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) **Subject to IC 25-1-2-6(e),** a certificate issued under this chapter expires after two (2) years, on a date established by the licensing agency. Failure to renew a certificate on or before the expiration date makes the certificate invalid without any action by the board.

(b) To be eligible for the renewal of a certificate issued under this chapter, an individual must:

(1) meet continuing education requirements set by the board;

(2) maintain a Certified Professional Midwife credential; and

(3) maintain sufficient liability insurance.

SECTION 52. IC 25-23.5-2-6, AS AMENDED BY P.L.197-2011, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) After considering the committee's proposed rules, the board shall adopt rules under IC 4-22-2 establishing standards for:

(1) the competent practice of occupational therapy;

(2) the renewal of licenses issued under this article,

subject to IC 25-1-2-6(e); and

(3) standards for the administration of this article.

(b) After considering the committee's recommendations for fees, the board shall establish fees under IC 25-1-8-2.

SECTION 53. IC 25-23.6-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) **Subject to IC 25-1-2-6(e),** a license issued by the board is valid for the remainder of the renewal period in effect on the date the license was issued.

(b) An individual may renew a license by:

(1) paying a renewal fee on or before the expiration date of the license; and

(2) completing not less than twenty (20) hours of continuing education per licensure year.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a license, the license becomes invalid.

SECTION 54. IC 25-23.6-8-8, AS AMENDED BY P.L.134-2008, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) **Subject to IC 25-1-2-6(e),** a marriage and family therapist license issued by the board is valid for the remainder of the renewal period in effect on the date the license was issued.

(b) An individual may renew a marriage and family therapist license by:

(1) paying a renewal fee on or before the expiration date of the license; and

(2) completing not less than fifteen (15) hours of continuing education each licensure year.

(c) If an individual fails to pay a renewal on or before the expiration date of a license, the license becomes invalid.

SECTION 55. IC 25-23.6-8-8.5, AS ADDED BY P.L.134-2008, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8.5. (a) **Subject to IC 25-1-2-6(e),** a marriage and family therapist associate license issued by the board is valid for the remainder of the renewal period in effect on the date the license was issued.

(b) An individual may renew a marriage and family therapist associate license two (2) times by:

(1) paying a renewal fee on or before the expiration date of the license; and

(2) completing at least fifteen (15) hours of continuing education each licensure year.

(c) The board may renew a marriage and family therapist associate license for additional periods based on circumstances determined by the board.

(d) If an individual fails to pay a renewal fee on or before the expiration date of a license, the license becomes invalid.

SECTION 56. IC 25-23.6-8.5-8, AS AMENDED BY P.L.84-2010, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) **Subject to IC 25-1-2-6(e),** a mental health counselor license issued by the board is valid for the remainder of the renewal period in effect on the date the license was issued.

(b) An individual may renew a mental health counselor license by:

(1) paying a renewal fee on or before the expiration date of the license; and

(2) completing at least twenty (20) hours of continuing education per licensure year.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a mental health counselor license, the license becomes invalid.

SECTION 57. IC 25-23.6-8.5-8.5, AS ADDED BY P.L.84-2010, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8.5. (a) **Subject to IC 25-1-2-6(e),** a mental health counselor associate license issued by the board is valid for the remainder of the renewal period in effect on the date the license was issued.

(b) An individual may renew a mental health counselor associate license two (2) times by:

(1) paying a renewal fee on or before the expiration date of the license; and

(2) completing at least twenty (20) hours of continuing education per licensure year.

(c) The board may renew a mental health counselor associate license for additional periods based on circumstances determined by the board.

(d) If an individual fails to pay a renewal fee on or before the expiration date of a mental health counselor associate license, the license becomes invalid.

SECTION 58. IC 25-23.6-10.5-12, AS ADDED BY P.L.122-2009, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) **Subject to IC 25-1-2-6(e),** a license issued by the board under this chapter is valid for the remainder of the renewal period in effect on the date the license was issued.

(b) An individual may renew a license by paying a renewal fee on or before the expiration date of the license.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a license, the license becomes invalid.

SECTION 59. IC 25-23.7-3-2, AS AMENDED BY P.L.87-2005, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) The board consists of nine (9) members appointed by the governor as follows:

(1) Four (4) members who are installers, each of whom:

(A) is licensed in Indiana as an installer; and

(B) has been actively engaged in the installation of manufactured homes for at least five (5) years immediately before the member's appointment to the board.

(2) One (1) member who represents manufactured home manufacturers with production facilities in Indiana.

(3) One (1) member who represents manufactured home dealers.

(4) One (1) member who is an operator or who is employed by an operator of a mobile home community licensed under IC 16-41-27.

(5) One (1) member who is an owner of or who is employed by a primary inspection agency, a designation issued under 24 CFR 3282 by the United States Department of Housing and Urban Development.

(6) One (1) member who represents the general public and who is not associated with the manufactured home industry other than as a consumer.

(b) The members of the board must be residents of Indiana.

(c) All members of the board serve at the will and pleasure of the governor.

SECTION 60. IC 25-23.7-6-1, AS AMENDED BY P.L.157-2006, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. Notwithstanding IC 25-1-2, **but subject to IC 25-1-2-6(e),** the holder of a license issued under IC 25-23.7-5 must renew the license and pay the required renewal fee every four (4) years after it is issued on or before the date established by the Indiana professional licensing agency under IC 25-1-6-4.

SECTION 61. IC 25-23.7-6-2, AS AMENDED BY P.L.105-2008, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) An individual who applies to renew a license as an installer of a manufactured home must:

(1) furnish evidence showing successful completion of the continuing education requirements of this chapter; and

(2) pay the renewal fee established by the board.

(b) **Subject to IC 25-1-2-6(e),** if the holder of a license does not renew the license before the date established by the licensing agency, the certificate expires without any action taken by the board.

(c) If a license has been expired for not more than three (3) years, the license may be reinstated by the board if the holder of

the license meets the requirements for reinstatement under IC 25-1-8-6(c).

(d) If a license has been expired for more than three (3) years, the license may be reinstated by the board if the holder of the license meets the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 62. IC 25-24-1-14, AS AMENDED BY P.L.105-2008, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 14. (a) In each even-numbered year, the Indiana professional licensing agency shall issue a ~~sixty (60)~~ **ninety (90)** day notice of expiration and a license renewal application in accordance with IC 25-1-2-6 to each optometrist licensed in Indiana. The application shall be mailed to the last known address of the optometrist.

(b) The payment of the renewal fee must be made on or before the date established by the licensing agency under IC 25-1-5-4. **Subject to IC 25-1-2-6(e),** the applicant's license expires and becomes invalid if the applicant has not paid the renewal fee by the date established by the licensing agency.

(c) The license shall be reinstated by the board not later than three (3) years after its expiration if the applicant for reinstatement meets the requirements under IC 25-1-8-6(c).

(d) Reinstatement of an expired license after the expiration of the three (3) year period provided in subsection (c) is dependent upon the applicant satisfying the requirements for reinstatement under IC 25-1-8-6(d).

(e) The board may classify a license as inactive if the board receives written notification from a licensee stating that the licensee will not maintain an office or practice optometry in Indiana. The renewal fee for an inactive license is one-half (1/2) the license renewal fee set by the board under section 1 of this chapter.

(f) The holder of an inactive license is not required to fulfill continuing education requirements set by the board. The board may issue a license to the holder of an inactive license if the applicant:

(1) pays the renewal fee set by the board under section 1 of this chapter;

(2) pays the reinstatement fee set by the board under section 1 of this chapter; and

(3) subject to IC 25-1-4-3, attests that the applicant obtained the continuing education required by the board under section 1 of this chapter for each year, or portion of a year during which the applicant's license has been classified as inactive.

SECTION 63. IC 25-26-13-14, AS AMENDED BY P.L.105-2008, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 14. (a) **Subject to IC 25-1-2-6(e),** a pharmacist's license expires biennially on the date established by the licensing agency under IC 25-1-5-4, unless renewed before that date.

(b) **Subject to IC 25-1-2-6(e),** if an application for renewal is not filed and the required fee paid before the established biennial renewal date, the license expires and becomes invalid without any action taken by the board.

(c) Subject to IC 25-1-4-3, a statement attesting that the pharmacist has met the continuing education requirements shall be submitted with the application for license renewal.

(d) If a pharmacist surrenders the pharmacist's license to practice pharmacy in Indiana, the board may subsequently consider reinstatement of the pharmacist's license upon written request of the pharmacist. The board may impose any conditions it considers appropriate to the surrender or to the reinstatement of a surrendered license. The practitioner may not voluntarily surrender the practitioner's license to the board without the written consent of the board if any disciplinary proceedings are pending against the practitioner under this chapter or IC 25-1-9.

(e) If a license has been expired for not more than three (3) years, the board may reinstate the license only if the person meets the requirements under IC 25-1-8-6(c).

(f) If a license has been expired for more than three (3) years, the license may be reinstated by the board if the holder of the license meets the requirements for reinstatement under IC 25-1-8-6(d).

(g) The board may require a person who applies for a license under subsection (e) to appear before the board and explain the reason the person failed to renew the person's license.

SECTION 64. IC 25-27-1-8, AS AMENDED BY P.L.1-2006, SECTION 467, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) The committee shall license as a physical therapist each applicant who:

(1) successfully passes the examination provided for in this chapter; and

(2) is otherwise qualified as required by this chapter.

(b) **Subject to IC 25-1-2-6(e),** all licenses and certificates issued by the committee expire on the date of each even-numbered year specified by the Indiana professional licensing agency under IC 25-1-5-4. A renewal fee established by the board after consideration of any recommendation of the committee must be paid biennially on or before the date specified by the Indiana professional licensing agency, and if not paid on or before that date, the license or certificate becomes invalid, without further action by the committee. A penalty fee set by the board after consideration of any recommendation of the committee shall be in effect for any reinstatement within three (3) years from the original date of expiration.

(c) An expired license or certificate may be reinstated by the committee up to three (3) years after the expiration date if the holder of the expired license or certificate:

(1) pays a penalty fee set by the board after consideration of any recommendation of the committee; and

(2) pays the renewal fees for the biennium.

If more than three (3) years have elapsed since expiration of the license or certificate, the holder may be reexamined by the committee. The board may adopt, after consideration of any recommendation of the committee, rules setting requirements for reinstatement of an expired license.

(d) The committee may issue not more than two (2) temporary permits to a physical therapist or physical therapist's assistant. A person with a temporary permit issued under this subsection may practice physical therapy only under the direct supervision of a licensed physical therapist who is responsible for the patient. A temporary permit may be issued to any person who has paid a fee set by the board after consideration of any recommendation of the committee and who:

(1) has a valid license from another state to practice physical therapy, or has a valid certificate from another state to act as a physical therapist's assistant; or

(2) has applied for and been approved by the committee to take the examination for licensure or certification, has not previously failed the licensure or certification examination in Indiana or any other state, and has:

(A) graduated from a school or program of physical therapy; or

(B) graduated from a two (2) year college level education program for physical therapist's assistants that meets the standards set by the committee.

The applicant must take the examination within the time limits set by the committee.

(e) A temporary permit issued under subsection (d) expires when the applicant becomes licensed or certified, or approved for endorsement licensing or certification by the committee, or when the application for licensure has been disapproved, whichever occurs first. An application for licensure or certification is disapproved and any temporary permit based upon the application expires when the applicant fails to take the examination within the time limits set by the committee or when the committee receives notification of the applicant's failure to

pass any required examination in Indiana or any other state.

(f) A holder of a license or certificate under this chapter who intends to retire from practice shall notify the committee in writing. Upon receipt of the notice, the committee shall record the fact that the holder of the license or certificate is retired and release the person from further payment of renewal fees. If a holder of the license or certificate surrenders a license or certificate, reinstatement of the license or certificate may be considered by the committee upon written request. The committee may impose conditions it considers appropriate to the surrender or reinstatement of a surrendered license or certificate. A license or certificate may not be surrendered to the committee without the written consent of the committee if any disciplinary proceedings are pending against a holder of a license or certificate under this chapter.

SECTION 65. IC 25-27.5-4-5, AS AMENDED BY P.L.3-2008, SECTION 192, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) **Subject to IC 25-1-2-6(e),** a license issued by the committee expires on a date established by the Indiana professional licensing agency under IC 25-1-5-4 in the next even-numbered year following the year in which the license was issued.

(b) An individual may renew a license by paying a renewal fee on or before the expiration date of the license.

(c) If an individual fails to pay a renewal fee on or before the expiration date of a license, the license becomes invalid and must be returned to the committee.

SECTION 66. IC 25-28.5-1-22, AS AMENDED BY P.L.105-2008, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 22. (a) **Subject to IC 25-1-2-6(e),** every license or certificate of registration issued under this chapter expires on a date established by the licensing agency under IC 25-1-6-4 and shall be renewed biennially thereafter upon payment of the required renewal fees.

(b) Applications for renewal shall be filed with the commission in the form and manner provided by the commission. The application shall be accompanied by the required renewal fee. The commission, upon the receipt of the application for renewal and the required renewal fee, shall issue to the renewal applicant a license or certificate of registration in the category said applicant has previously held. **Subject to IC 25-1-2-6(e),** unless ~~a license is~~ renewed, a license issued by the commission expires on the date specified by the licensing agency under IC 25-1-6-4.

(c) **Subject to IC 25-1-2-6(e),** a license or certificate of registration lapses without any action by the commission if an application for renewal has not been filed and the required fee has not been paid by the established biennial renewal date.

(d) If a license or certificate of registration has been expired for not more than three (3) years, the license or certificate of registration may be reinstated by the commission if the holder of the license or certificate of registration meets the requirements of IC 25-1-8-6(c).

(e) If a license or certificate of registration has been expired for more than three (3) years, the license or certificate of registration may be reinstated by the commission if the holder of the license or certificate of registration meets the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 67. IC 25-29-6-1, AS AMENDED BY P.L.1-2006, SECTION 473, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. **Subject to IC 25-1-2-6(e),** a license to practice podiatric medicine expires on a date established by the agency under IC 25-1-5-4 in each odd-numbered year.

SECTION 68. IC 25-30-1-16, AS AMENDED BY P.L.105-2008, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16. (a) **Subject to IC 25-1-2-6(e),** unless ~~a license is~~ renewed, a license issued under this chapter expires on a date specified by the licensing agency under IC 25-1-6-4 and expires every four (4) years after the initial expiration date. An applicant for renewal shall pay the renewal fee established by the board under IC 25-1-8-2 on or before the renewal date specified by the licensing agency.

(b) **Subject to IC 25-1-2-6(e),** if the holder of a license does not renew the license by the date specified by the licensing agency, the license expires and becomes invalid without any action taken by the board.

(c) If a license has been expired for not more than three (3) years, the license may be reinstated by the board if the holder of the license meets the requirements under IC 25-1-8-6(c).

(d) If a license has been expired for more than three (3) years, the license may be reinstated by the board if the holder of the license meets the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 69. IC 25-30-1.3-17, AS AMENDED BY P.L.105-2008, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17. (a) **Subject to IC 25-1-2-6(e),** unless ~~a license is~~ renewed, a license issued under this chapter expires on a date specified by the licensing agency under IC 25-1-6-4 and expires every four (4) years after the initial expiration date. An applicant for renewal shall pay the renewal fee established by the board under IC 25-1-8-2 on or before the renewal date specified by the licensing agency.

(b) **Subject to IC 25-1-2-6(e),** if the holder of a license does not renew the license by the date specified by the licensing agency, the license expires and becomes invalid without any action taken by the board.

(c) If a license has been expired for not more than three (3) years, the license may be reinstated if the holder of the license meets the requirements under IC 25-1-8-6(c).

(d) If a license has been expired for more than three (3) years, the license may be reinstated by the board if the holder of the license meets the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 70. IC 25-31-1-17, AS AMENDED BY P.L.105-2008, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17. (a) **Subject to IC 25-1-2-6(e),** unless ~~a certificate is~~ renewed, a certificate issued under this chapter expires on a date specified by the licensing agency under IC 25-1-6-4 and expires biennially after the initial expiration date. An applicant for renewal shall submit an application in the manner prescribed by the board and pay the renewal fee established by the board under IC 25-1-8-2 on or before the renewal date specified by the licensing agency.

(b) **Subject to IC 25-1-2-6(e),** if the holder of a certificate does not renew the certificate by the date specified by the licensing agency, the certificate expires and becomes invalid without the board taking any action.

(c) The failure on the part of a registrant to renew a certificate does not deprive the registrant of the right of renewal.

(d) If a certificate has been expired for not more than three (3) years, the certificate may be reinstated by the board if the holder of the certificate meets the requirements for reinstatement under IC 25-1-8-6(c).

(e) If a certificate has been expired for more than three (3) years, the certificate may be reinstated by the board if the holder of the certificate meets the requirements for reinstatement under IC 25-1-8-6(d).

SECTION 71. IC 25-33-1-10, AS AMENDED BY P.L.105-2008, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) **Subject to IC 25-1-2-6(e),** a license issued under this article expires on the date established by the licensing agency under IC 25-1-5-4. A renewal fee established by the board under section 3 of this chapter must be paid by an applicant for renewal before the license expires.

(b) **Subject to IC 25-1-2-6(e),** if the holder of an expired license fails to renew the license on or before the renewal date, the license expires and becomes invalid without any further action by the board.

(c) A license that expires and becomes invalid under this section may be renewed by the board not more than three (3) years after the date of the expiration of the license if the applicant meets the requirements under IC 25-1-8-6(c).

(d) If a license has been invalidated under this section for more than three (3) years, the holder of the license may have the license reinstated by meeting the requirements for reinstatement under IC 25-1-8-6(d).

(e) The board may adopt rules establishing requirements for reinstatement of a license invalidated for more than three (3) years under this section.

(f) An initial license issued under this article is valid for the remainder of the renewal period in effect on the date of issuance.

(g) The board may require a person who applies for a license under subsection (d) to appear before the board and explain the reason the person failed to renew the person's license.

SECTION 72. IC 25-34.1-3-4.1, AS AMENDED BY SEA 408-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4.1. (a) To obtain a broker license, an individual must:

(1) be at least eighteen (18) years of age before applying for a license and must not have a conviction for:

(A) an act that would constitute a ground for disciplinary sanction under IC 25-1-11;

(B) a crime that has a direct bearing on the individual's ability to practice competently; or

(C) a crime that indicates the individual has the propensity to endanger the public;

(2) have a high school diploma or a general educational development (GED) diploma under IC 20-20-6 (before its repeal) or IC 22-4.1-18;

(3) have successfully completed an approved broker course of study as prescribed in IC 25-34.1-5-5;

(4) apply for a license by submitting the application fee prescribed by the commission and an application specifying:

(A) the name, address, and age of the applicant;

(B) the broker company with which the applicant intends to associate;

(C) the address of the broker company;

(D) proof of compliance with subdivisions (2) and (3); and

(E) any other information the commission requires;

(5) pass a written examination prepared and administered by the commission or its duly appointed agent; and

(6) within one (1) year after passing the commission examination, submit the license fee established by the commission under IC 25-1-8-2. If an individual applicant fails to file a timely license fee, the commission shall void the application and may not issue a license to that applicant unless that applicant again complies with the requirements of subdivisions (4) and (5) and this subdivision.

(b) To obtain a broker license, a partnership must:

(1) have as partners only individuals who are licensed brokers;

(2) have at least one (1) partner who qualifies as a managing broker under IC 25-34.1-4-0.5 and IC 25-34.1-4-3;

(3) cause each employee of the partnership who acts as a broker to be licensed; and

(4) submit the license fee established by the commission under IC 25-1-8-2 and an application setting forth the name and residence address of each partner and the information prescribed in subsection (a)(4).

(c) To obtain a broker license, a corporation must:

(1) have a licensed broker who qualifies as a managing broker under IC 25-34.1-4-0.5 and IC 25-34.1-4-3;

(2) cause each employee of the corporation who acts as a broker to be licensed; and

(3) submit the license fee established by the commission under IC 25-1-8-2, an application setting forth the name and residence address of each officer and the information prescribed in subsection (a)(4), a copy of the certificate of incorporation, and a certificate of good standing of the corporation issued by the secretary of state.

(d) To obtain a broker license, a limited liability company must:

(1) if a member-managed limited liability company:

(A) have as members only individuals who are licensed brokers; and

(B) have at least one (1) member who qualifies as a managing broker under IC 25-34.1-4-0.5 and IC 25-34.1-4-3;

(2) if a manager-managed limited liability company, have a licensed broker who qualifies as a managing broker under IC 25-34.1-4-0.5 and IC 25-34.1-4-3;

(3) cause each employee of the limited liability company who acts as a broker to be licensed; and

(4) submit the license fee established by the commission under IC 25-1-8-2 and an application setting forth the information prescribed in subsection (a)(4), together with:

(A) if a member-managed company, the name and residence address of each member; or

(B) if a manager-managed company, the name and residence address of each manager, or of each officer if the company has officers.

(e) Licenses granted to partnerships, corporations, and limited liability companies are issued, expire, are renewed, and are effective on the same terms as licenses granted to individual brokers, except as provided in subsection (h), and except that expiration or revocation of the license of:

(1) any partner in a partnership or all individuals in a corporation satisfying subsection (c)(1); or

(2) a member in a member-managed limited liability company or all individuals in a manager-managed limited liability company satisfying subsection (d)(2);

terminates the license of that partnership, corporation, or limited liability company.

(f) Upon the applicant's compliance with the requirements of subsection (a), (b), or (c), the commission shall issue the applicant a broker license and an identification card which certifies the issuance of the license and indicates the expiration date of the license. The license shall be displayed at the broker's place of business. For at least two (2) years after the issuance of a license, the individual cannot be a managing broker. An individual who applies for a broker's license after June 30, 2014, must, during the first two (2) years after the license is issued, take and pass at least thirty (30) hours of postlicensing education focused on the practical matters of real estate transactions instead of the continuing education requirements under IC 25-34.1-9.

(g) **Subject to IC 25-1-2-6(e),** unless the license is renewed, a broker license expires, for individuals, on a date specified by the licensing agency under IC 25-1-6-4 and expires three (3) years after the initial expiration date. An applicant for renewal shall submit an application in the manner prescribed by the commission and pay the renewal fee established by the commission under IC 25-1-8-2 on or before the renewal date specified by the licensing agency. If the holder of a license does not renew the license by the date specified by the licensing agency, the license expires and becomes invalid without the commission taking any action.

(h) **Subject to IC 25-1-2-6(e),** if the holder of a license under this section fails to renew the license on or before the date specified by the licensing agency, the license may be reinstated by the commission if the holder of the license, not later than three (3) years after the expiration of the license, meets the requirements of IC 25-1-8-6(c).

(i) If a license under this section has been expired for more than three (3) years, the license may be reinstated by the

commission if the holder meets the requirements for reinstatement under IC 25-1-8-6(d).

(j) A partnership, corporation, or limited liability company may be only a broker company, except as authorized in IC 23-1.5. An individual broker who associates with a broker company shall immediately notify the commission:

(1) of the name and business address of the broker company with which the individual broker is associating; and

(2) of any changes of the broker company with which the individual broker is associated that may occur.

Upon receiving notice under subdivision (1) or (2), the commission shall change the address of the individual broker on its records to that of the broker company.

SECTION 73. IC 25-34.1-9-22, AS ADDED BY P.L.200-2013, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 22. (a) Each instructor of a continuing education course under this chapter must have a permit issued by the commission.

(b) An instructor permit under subsection (a) must:

(1) be issued for a term of three (3) years and, **subject to IC 25-1-2-6(e),** expire on a date set by the licensing agency; and

(2) automatically expire if not renewed by the end of the permit period.

(c) An instructor issued a permit under subsection (a), must meet the following requirements:

(1) Be a licensed real estate broker or attorney licensed in Indiana, or an expert in the field working in conjunction with a licensed real estate broker or licensed attorney.

(2) Each year, complete four (4) hours of continuing education approved by the commission and specific to providing real estate instruction. Hours earned under this subdivision may be used toward the completion of the continuing education requirement for a broker under IC 25-34.1-9-11.

(3) Pay applicable fees established under rules adopted by the commission under IC 4-22-2.

(4) Meet any additional requirements established by the commission under rules adopted under IC 4-22-2.

(d) If a permit expires under subsection (b)(2), to return to active status, the instructor must:

(1) successfully complete continuing education requirements set by the commission;

(2) file a renewal application;

(3) pay a renewal fee under rules adopted by the commission under IC 4-22-2; and

(4) pay any applicable late fees established under rules adopted by the commission under IC 4-22-2.

(e) Instructors approved by the commission before July 1, 2013, shall be exempted from the requirement under subsection (c)(1).

(f) The commission may deny, suspend, or revoke approval of any instructor permit issued under this chapter if the commission determines that the instructor has failed to comply with the standards established in this chapter and the rules of the commission.

SECTION 74. IC 25-34.1-11-10, AS ADDED BY P.L.77-2010, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) The board shall issue a certificate of registration to an appraisal management company that:

(1) has furnished the information required by section 9(a) of this chapter in the manner prescribed by the board; and

(2) paid the fee required under section 9(b) of this chapter.

(b) **Subject to IC 25-1-2-6(e),** a certificate of registration issued to an appraisal management company under this chapter expires two (2) years after the date on which the certificate of registration is issued.

SECTION 75. IC 25-34.5-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) Except as provided in section 11 of this chapter, the committee shall issue a license to each applicant who:

(1) successfully passes the examination provided in section 12 of this chapter; and

(2) meets the requirements of section 8 of this chapter.

(b) **Subject to IC 25-1-2-6(e),** a license issued under this section expires on the last day of the regular renewal cycle established under IC 25-1-5-4.

SECTION 76. IC 25-35.6-3-6, AS AMENDED BY P.L.105-2008, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) **Subject to IC 25-1-2-6(e),** licenses issued under this article expire, if not renewed, on the date established by the licensing agency under IC 25-1-5-4.

(b) Every person licensed under this article shall pay a fee for renewal of the person's license before the date established by the licensing agency.

(c) If the holder of a license fails to renew the license on or before the date specified by the licensing agency, the license may be reinstated by the board if the holder of the license, not later than three (3) years after the expiration of the license, meets the requirements of IC 25-1-8-6(c).

(d) If a license has been expired for more than three (3) years, the license may be reinstated by the board if the holder meets the requirements for reinstatement under IC 25-1-8-6(d).

(e) A suspended license is subject to expiration and may be renewed or reinstated as provided in this section, but a renewal or reinstatement shall not entitle the licensee, while the license remains suspended and until it is reinstated, to engage in the licensed activity, or in any other conduct or activity in violation of the order or judgment by which the license was suspended.

SECTION 77. IC 25-38.1-3-10, AS ADDED BY P.L.2-2008, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. **Subject to IC 25-1-2-6(e),** a license or registration certificate issued under this article is valid for the remainder of the renewal period in effect on the date of issuance.

SECTION 78. IC 25-38.1-3-11, AS ADDED BY P.L.58-2008, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) **Subject to IC 25-1-2-6(e),** a license issued under this chapter is valid until the next renewal date described under subsection (b).

(b) All licenses expire on a date set by the agency in each odd-numbered year but may be renewed by application to the board and payment of the proper renewal fee. In accordance with IC 25-1-5-4(c), the agency shall mail a notice ~~sixty (60)~~ **ninety (90)** days before the expiration to each licensed veterinarian. The agency shall issue a license renewal to each individual licensed under this chapter if the proper fee has been received and all other requirements for renewal of the license have been satisfied. Failure to renew a license on or before the expiration date automatically renders the license invalid without any action by the board.

SECTION 79. IC 25-38.1-3-12, AS ADDED BY P.L.58-2008, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) **Subject to IC 25-1-2-6(e),** a registration certificate issued under this chapter is valid until the next renewal date described under subsection (b).

(b) **Subject to IC 25-1-2-6(e),** all registration certificates expire on a date set by the agency of each even-numbered year but may be renewed by application to the board and payment of the proper renewal fee. In accordance with IC 25-1-5-4(c), the agency shall mail a notice ~~sixty (60)~~ **ninety (90)** days before the expiration to each registered veterinary technician. The agency shall issue a registration certificate renewal to each individual registered under this chapter if the proper fee has been received and all other requirements for renewal of the registration certificate have been satisfied. Failure to renew a registration

certificate on or before the expiration date automatically renders the license invalid without any action by the board.

(Reference is to EHB 1562 as reprinted, Printer's Error, April 10, 2015.)

ZENT L. BROWN
SHACKLEFORD BREAUX
House Conferees Senate Conferees

Roll Call 556: yeas 95, nays 0. Report adopted.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.1 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015; we further recommend that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 1.5 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1466-1, 1472-1 and 1542-1 and Engrossed Senate Bills 65-1 and 369-1.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.1 be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015, and that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 1.5 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1466-1, 1472-1 and 1542-1 and Engrossed Senate Bills 65-1 and 369-1.

TORR, Chair

Motion prevailed.

Representative McMillin, who had been excused, is now present.

Representatives C. Brown, Behning and Morrison, who had been present, are now excused.

CONFERENCE COMMITTEE REPORT
EHB 1466–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1466 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-3-22-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 19. The OMB shall, not later than October 1 each year, submit to the interim study committee on pension management oversight a written report that summarizes and analyzes the retirement plan information received for the immediately preceding state fiscal year under IC 5-11-20. The report must be in an electronic format under IC 5-14-6.**

SECTION 2. IC 5-10.2-1-4.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.3. As used in this article, "miscellaneous participating entity" means an entity that participates in the public employees' retirement fund, except:**

(1) the executive (including the administrative), legislative, and judicial branches of the state; or

(2) a political subdivision (as defined in IC 5-10.3-1-6).

SECTION 3. IC 5-10.2-2-6, AS AMENDED BY P.L.35-2012, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) The retirement allowance account of the public employees' retirement fund consists of the retirement fund, exclusive of the annuity savings account. The retirement allowance account also includes any amounts received under ~~IC 5-10.3-12-24(b)~~ **IC 5-10.3-12-24 or IC 5-10.3-12-24.5.** For the public employees' retirement fund, separate accounts within the retirement allowance account shall be maintained for contributions made by each contribution rate group.

(b) The retirement allowance account of the pre-1996 account consists of the pre-1996 account, exclusive of the annuity savings account.

(c) The retirement allowance account of the 1996 account consists of the 1996 account, exclusive of the annuity savings account.

SECTION 4. IC 5-10.2-2-11, AS AMENDED BY P.L.195-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) Based on the actuarial investigation and valuation in section 9 of this chapter, the board shall determine:

(1) the normal contribution for each contribution rate group, which is the amount necessary to fund the pension portion of the retirement benefit;

(2) the rate of normal contribution;

(3) the unfunded accrued liability of the public employees' retirement fund, the pre-1996 account, and the 1996 account, which is the excess of total accrued liability over the fund's or account's total assets, respectively; and

(4) the period, which must be thirty (30) years or a shorter period, necessary to amortize the unfunded accrued liability determined in subdivision (3).

(b) Based on the information in subsection (a), the board may determine, in its sole discretion, contributions and contribution rates for individual employers or for a group of employers.

(c) The board shall require an employer to make a supplemental contribution to the fund in addition to the amounts described in subsection (a)(3) and (a)(4) in an amount necessary to pay the employer's share of the fund's actuarial unfunded liability that other employers would otherwise be required to pay because the employer's employees are becoming members of the plan under IC 5-10.3-12 instead of the fund. The amount necessary to pay an employer's contribution under this subsection in full must be made in a lump sum or in a series of payments determined by the board.

~~(c)~~ **(d)** The board's determinations under subsection (a):

(1) are subject to sections 1.5 and 11.5 of this chapter; and

(2) may not include an amount for a retired member for whom the employer may not make contributions during the member's period of reemployment as provided under IC 5-10.2-4-8(e).

(e) If the board determines contributions and contribution rates for one (1) or more employers under this section differ from the contributions and contribution rates determined by the actuarial investigation under section 9 of this chapter, the board shall notify the interim study committee for pension management oversight of this fact by reporting the board's action to the legislative services agency in an electronic format under IC 5-14-6.

SECTION 5. IC 5-10.2-2-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 20. (a) As used in this**

section:

(1) "fund" means the public employees' retirement fund; and

(2) "withdrawing participating entity" means a miscellaneous participating entity that takes an action described in subsection (b).

(b) Subject to the provisions of this section, a miscellaneous participating entity may do the following:

(1) Stop its participation in the fund and withdraw all of the miscellaneous participating entity's employees from participation in the fund.

(2) Withdraw a departmental, an occupational, or other definable classification of employees from participation in the fund.

(3) Stop the miscellaneous participating entity's participation in the fund by:

(A) selling all of the miscellaneous participating entity's assets; or

(B) ceasing to exist.

(c) The withdrawal of a miscellaneous participating entity's participation in the fund is effective on a termination date established by the board. The termination date may not occur before all the following have occurred:

(1) The withdrawing participating entity has provided written notice of the following to the board:

(A) The withdrawing participating entity's intent to cease participation.

(B) The names of the withdrawing participating entity's current employees and former employees as of the date on which the notice is provided.

(2) The expiration of:

(A) a ninety (90) day period following the filing of the notice with the board, for a withdrawing participating entity that sells all of the withdrawing participating entity's assets or that ceases to exist; or

(B) a two (2) year period following the filing of the notice with the board, for all other withdrawing participating entities.

(3) The withdrawing participating entity takes all actions required in subsections (d) through (g).

(d) With respect to retired members who have creditable service with the withdrawing participating entity, the withdrawing participating entity must contribute to the fund any additional amounts that the board determines are necessary to provide for reserves with sufficient assets to pay all future benefits from the fund to those retired members attributable to service with the withdrawing participating entity. The contribution by the withdrawing participating entity must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years.

(e) A member who is an employee of the miscellaneous participating entity as of the date of the notice under subsection (c) is vested in the pension portion of the member's retirement benefit. The withdrawing participating entity must contribute to the fund the amount the board determines is necessary to fund fully the vested benefit attributable to service with the withdrawing participating entity. The contribution by the withdrawing participating entity must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years.

(f) A member who is covered by subsection (e) and who is at least sixty-five (65) years of age may elect to retire under IC 5-10.2-4-1 even if the member has fewer than ten (10) years of service. The benefit for the member shall be computed under IC 5-10.2-4-4 using the member's actual years of service.

(g) With respect to members of the fund who have creditable service with the withdrawing participating entity and who are not employees as of the date of the notice under subsection (c), the withdrawing participating entity must contribute the amount that the board determines is necessary to fund fully the service for those members that is attributable to service with the withdrawing participating entity. The contribution by the withdrawing participating entity must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years.

SECTION 6. IC 5-10.2-2-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 21. (a) This section applies to a miscellaneous participating entity that takes any of the following actions on or after December 31, 2010:**

(1) The miscellaneous participating entity determines a date:

(A) before which newly hired employees of a departmental, occupational, or other definable classification of employees are required or allowed to participate in the fund; and

(B) on or after which newly hired employees of the departmental, occupational, or other definable classification of employees are not allowed to participate in the fund.

(2) The miscellaneous participating entity determines a date:

(A) before which newly hired employees of a departmental, occupational, or other definable classification of employees are required to participate in the fund; and

(B) on or after which newly hired employees of the departmental, occupational, or other definable classification of employees are allowed to choose to participate in a retirement plan other than the fund.

(3) The miscellaneous participating entity modifies its employee classification scheme as of a specified date in such a way that there is at least one (1) position that:

(A) is covered by the fund before the specified date; and

(B) is not covered by the fund after the specified date.

(b) The following definitions apply throughout this section:

(1) "Freeze" or "freeze participation in the fund" means to take an action described in subsection (a).

(2) "Freezing participating entity" means a miscellaneous participating entity that freezes its participation in the fund.

(3) "Fund" means the public employees' retirement fund.

(c) A miscellaneous participating entity that freezes its participation in the fund after December 31, 2010, shall do the following:

(1) Provide written notice of the following to the board:

(A) The action that was taken under subsection (a) by the freezing participating entity.

(B) The effective date of the action taken under subsection (a).

(C) The employee classifications that:

(i) are covered by the fund before the effective date of the freeze; and

(ii) will not be covered by the fund on or after the effective date of the freeze.

(D) The names of the freezing participating entity's current employees and former employees as of the date on which the notice is provided.

(2) Comply with subsections (d) through (f).

(d) With respect to retired members who have creditable service with the freezing participating entity, the freezing participating entity shall contribute to the fund any additional amounts that the board determines are necessary to provide for reserves with sufficient assets to pay all future benefits from the fund to those retired members attributable to service with the freezing participating entity. The board shall collaborate with the freezing participating entity by

sharing the actuarial method and report used in determining the amounts under this subsection and under subsections (e) and (f). The contribution by the freezing participating entity must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years, as determined by the freezing participating entity.

(e) With respect to members of the fund who have creditable service with the freezing participating entity and who are not employees as of the effective date on which the miscellaneous participating entity freezes its participation in the fund, the freezing participating entity shall contribute the amount that the board determines is necessary to fund fully the service for those members that is attributable to service with the freezing participating entity. The board shall collaborate with the freezing participating entity by sharing the actuarial method and report. The contribution by the freezing participating entity must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years, as determined by the freezing participating entity.

(f) With respect to members of the fund who are employees of the freezing participating entity on the date of the notice under subsection (c), the freezing participating entity shall continue to contribute the amounts required under section 11 of this chapter for those employees for the duration of their employment with the freezing participating entity. In addition, the freezing participating entity shall contribute to the fund the amount the board determines is necessary to fund fully the benefits attributable to service with the freezing participating entity that are vested or will become vested and are not expected to be fully funded through the continuing contributions under section 11 of this chapter during the duration of the members' employment with the freezing participating entity. The board shall collaborate with the freezing participating entity by sharing the actuarial method and report. The contribution by the freezing participating entity must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years, as determined by the freezing participating entity.

(g) The Indiana public retirement system may do any of the following to determine a miscellaneous participating entity's compliance with this section:

(1) Require reports from the miscellaneous participating entity.

(2) Audit the miscellaneous participating entity.

SECTION 7. IC 5-10.2-2-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 22. (a) This section applies to a miscellaneous participating entity that:**

(1) either:

(A) withdraws from the public employees' retirement fund under section 20 of this chapter; or

(B) freezes its participation in the public employees' retirement fund as described in section 21 of this chapter; and

(2) chooses thereafter to offer a retirement plan to its employees.

(b) Except as provided in subsection (c), a miscellaneous participating entity to which this section applies may offer a retirement plan to its employees only by participating in the defined contribution plan under IC 5-10.3-12.

(c) If, on July 1, 2015, a miscellaneous participating entity to which this section applies has established or is otherwise participating in a defined contribution plan other than the defined contribution plan under IC 5-10.3-12, the miscellaneous participating entity may continue to participate in the defined contribution plan in which the miscellaneous participating entity participated on July 1, 2015.

SECTION 8. IC 5-10.2-2-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 23. If any provision of this article, IC 5-10.3, or IC 5-10.4 allows the state as an employer to make an election or take discretionary action, the election or discretionary action shall be taken by the following entities, as applicable:**

(1) The governor, if the election or discretionary action involves an elected officer, appointed officer, or employee of the executive branch.

(2) The legislative council, if the election or discretionary action involves a senator, a representative, or an employee of the legislative branch.

(3) The chief justice of the supreme court, if the election or discretionary action involves:

(A) a justice;

(B) a judge;

(C) a prosecuting attorney;

(D) an officer paid by the state under IC 33-23-5-10, IC 33-38-5-7, or IC 33-39-6-2; or

(E) an employee of the judicial branch of state government.

SECTION 9. IC 5-10.2-4-7.2, AS AMENDED BY P.L.93-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7.2. (a) This section applies to the following:

(1) A member of the Indiana state teachers' retirement fund after June 30, 2007.

(2) A member of the public employees' retirement fund after June 30, 2008.

(b) Subject to subsection (g), if a member is receiving a benefit from the fund and:

(1) the member's designated beneficiary dies;

(2) the member and the member's designated beneficiary have been parties in an action for dissolution of marriage in which a final order has been issued after the member's first benefit payment is made. It is immaterial whether the final order was issued before, on, or after the date in subsection (a)(1) or (a)(2); ~~or~~

(3) the member marries after the member's first benefit payment is made, and:

(A) the member's designated beneficiary is not the member's current spouse; or

(B) the member has not designated a beneficiary; **or**

(4) after June 30, 2016, the member and the member's designated beneficiary are no longer in a relationship that caused the member to make the original beneficiary designation;

the member may make the election described in subsection (c).

(c) A member described in subsection (b) may elect to:

(1) change the member's designated beneficiary or form of benefit under section 7(b) of this chapter; and

(2) receive an actuarially adjusted and recalculated benefit for the remainder of:

(A) the member's life; or

(B) the member's life and the life of the newly designated beneficiary.

(d) A member making the election under subsection (c) may not elect to change to a five (5) year guaranteed form of benefit under section 7(b) of this chapter.

(e) If a member elects a benefit under subsection (c)(2)(B), the member must indicate whether the newly designated beneficiary's benefit will equal:

(1) the member's full recalculated benefit;

(2) two-thirds (2/3) of the member's recalculated benefit; or

(3) one-half (1/2) of the member's recalculated benefit.

(f) The member bears the cost of recalculating a benefit under subsection (c)(2), and the cost shall be included in the actuarial adjustment.

(g) A member may not make the election under subsection (c) if a final order or property settlement in an action for dissolution of marriage:

(1) prohibits a change in the member's designated beneficiary; or

(2) provides a right to a survivor benefit to a person who would be removed as the designated beneficiary.

(h) Benefits may be recalculated under this section only to the extent permitted by the Internal Revenue Code and applicable regulations.

(i) Before implementing this section, the board may obtain any approvals that the board considers necessary or appropriate from the Internal Revenue Service.

(j) This subsection applies after June 30, 2016. A member who qualifies under subsection (b)(4) to make an election under subsection (c) shall provide documentation the board considers sufficient to establish that the relationship between the member and the member's designated beneficiary no longer exists.

SECTION 10. IC 5-10.3-2-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4. (a) The following definitions apply throughout this section:**

(1) "Defined contribution plan" refers to the public employees' defined contribution plan established under IC 5-10.3-12.

(2) "Eligible entity" means an entity that is eligible but not required to participate in the public employees' retirement fund.

(3) "Qualifying employee" means an employee who would be eligible under IC 5-10.3-7 to become a member of the fund, if the employee's employer were to participate in the fund.

(b) Except as otherwise provided in this section, if an eligible entity wishes to offer a retirement plan to a qualifying employee, the eligible entity must provide the retirement plan to the qualifying employee by participating in the fund or the defined contribution plan.

(c) If, on July 1, 2015, an eligible employer is providing a retirement plan other than the fund or the defined contribution plan to a departmental, occupational, or other definable classification of an eligible entity's employees, the qualifying employees in the departmental, occupational, or other classification of employees may continue to participate in the retirement plan, regardless of whether the qualifying employees in the departmental, occupational, or other definable classification begin employment with the eligible entity after June 30, 2015.

(d) An eligible entity may offer a retirement plan other than the fund or the defined contribution plan to an employee, if the employee is not a qualifying employee.

SECTION 11. IC 5-10.3-6-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. As used in this chapter, "plan" refers to the public employees' defined contribution plan under IC 5-10.3-12.**

SECTION 12. IC 5-10.3-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) ~~By ordinance or resolution of~~ The governing body **of a political subdivision may adopt an ordinance or resolution** specifying ~~by~~ **a** departmental, occupational, or other definable classification ~~the~~ **of** employees:

(1) who ~~will~~ **are required to** become members of the fund;

(2) who are required to become members of the plan; or

(3) who may each elect whether to become members of the fund or members of the plan.

An ordinance or resolution adopted by the governing body of a political subdivision under this subsection that specifies the departmental, occupational, or other definable classification of employees who are required under subdivision (2) to become members of the plan or who may under subdivision (3) elect whether to become members of the fund or plan may not take effect before January 2, 2016. A political subdivision may become a participant in the fund **or the plan, or both, as applicable,** if the ordinance or resolution is filed with and approved by the board.

(b) An ordinance or resolution adopted under subsection (a) that includes a provision described under subsection (a)(3) may also include one (1) of the following provisions:

(1) If an employee who may elect whether to become a member of the fund or a member of the plan does not make an election under IC 5-10.3-7-1.1, the employee becomes a member of the plan.

(2) If an employee who may elect whether to become a member of the fund or a member of the plan does not make an election under IC 5-10.3-12-20.5, the employee becomes a member of the fund.

If an ordinance or resolution adopted under subsection (a) that includes a provision described under subsection (a)(3) does not include either of the provisions described in subdivision (1) or (2), subdivision (2) applies to the departmental, occupational, or other definable classification of employees that may elect to become members of the fund or members of the plan.

(c) If an ordinance or resolution adopted under subsection (a) includes a provision described under subsection (a)(2) or (a)(3), or both, the ordinance or resolution must include a specification of the political subdivision's contribution rate to the plan as a percentage of each member's compensation. Each year, the political subdivision's contribution rate specified under this subsection must be greater than or equal to zero percent (0%) and may not exceed the percentage that would produce the normal cost for participation in the fund under IC 5-10.2-2-11, if the political subdivision were a participant in the fund. If a provision specifying the political subdivision's contribution rate is not included in the ordinance or resolution, the political subdivision's contribution rate to the plan is zero percent (0%).

(d) If an ordinance or resolution adopted under subsection (a) includes a provision described under subsection (a)(2) or (a)(3), or both, the ordinance or resolution must include a specification of the political subdivision's matching rate that is the percentage of each member's additional contributions to the plan that the political subdivision will match. A political subdivision may specify only:

(1) zero percent (0%); or

(2) fifty percent (50%).

If a provision specifying the political subdivision's matching rate is not included in the ordinance or resolution, the political subdivision's matching rate for the plan is zero percent (0%).

~~(b)~~ **(e)** A governing body may include in its ordinance or resolution adopted under subsection (a) a determination of the date from which prior service for its employees will be computed. Creditable service for these employees is determined under IC 5-10.3-7-7.5.

~~(c)~~ **(f)** The effective date of participation is the earlier of January 1 or July 1 after the date of approval. However, no retirement benefit may be paid until six (6) months after the effective date of participation.

SECTION 13. IC 5-10.3-6-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) This section applies to a third class city or a town.

(b) The clerk-treasurer of a city or town is that city's or town's authorized agent for all matters concerning the fund **and the plan.**

SECTION 14. IC 5-10.3-6-4, AS AMENDED BY P.L.23-2011, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The board shall maintain separate accounts for each contribution rate

group. Credits and charges to these accounts shall be made as prescribed in IC 5-10.2-2 **and IC 5-10.3-12, as applicable.**

SECTION 15. IC 5-10.3-6-7, AS AMENDED BY P.L.115-2009, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) If the employer or political subdivision fails to make payments required by this chapter, the amount payable may be:

(1) withheld by the auditor of state from moneys payable to the employer or subdivision and transferred to the fund **or the plan, as applicable;** or

(2) recovered in a suit in the circuit or superior court of the county in which the political subdivision is located. The suit shall be an action by the state on the relation of the board, prosecuted by the attorney general.

(b) If:

(1) service credit is verified for a member who has filed an application for retirement benefits; and

(2) the member's employer at the time the service credit was earned has not made contributions for or on behalf of the member for the service credit;

liability for the unfunded service credit shall be charged against the employer's account and collected by the fund as provided in subsection (a). Processing of a member's application for retirement benefits may not be delayed by an employer's failure to make contributions for the service credit earned by the member while the member was employed by the employer.

(c) If the employer or political subdivision fails to file the reports or records required by this chapter or by IC 5-10.3-7-12.5, the auditor of state shall:

(1) withhold the penalty described in IC 5-10.3-7-12.5 from money payable to the employer or the political subdivision; and

(2) transfer the penalty to the fund **or the plan, as applicable.**

SECTION 16. IC 5-10.3-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) As used in this section, "withdrawing political subdivision" means a political subdivision that takes an action described in subsection (b).

(b) Subject to the provisions of this section, a political subdivision may do the following:

(1) Stop its participation in the fund and withdraw all of the political subdivision's employees from participation in the fund.

(2) Withdraw a departmental, an occupational, or other definable classification of employees from participation in the fund.

(3) Stop the political subdivision's participation in the fund by:

(A) selling all of the political subdivision's assets; or

(B) ceasing to exist as a political subdivision.

(c) The withdrawal of a political subdivision's participation in the fund is effective on a termination date established by the board. The termination date may not occur before all of the following have occurred:

(1) The withdrawing political subdivision has provided written notice of the following to the board:

(A) The withdrawing political subdivision's intent to cease participation.

(B) The names of the withdrawing political subdivision's current employees and former employees as of the date on which the notice is provided.

(2) The expiration of:

(A) a ninety (90) day period following the filing of the notice with the board, for a withdrawing political subdivision that sells all of the withdrawing political subdivision's assets or that ceases to exist as a political subdivision; or

(B) a two (2) year period following the filing of the notice with the board, for all other withdrawing political subdivisions.

(3) The withdrawing political subdivision takes all actions required in subsections (d) through ~~(h).~~ **(g).**

(d) With respect to retired members who have creditable service with the withdrawing political subdivision, the withdrawing political subdivision must contribute to the fund any additional amounts that the board determines are necessary to provide for reserves with sufficient assets to pay all future benefits from the fund to those retired members **attributable to service with the withdrawing political subdivision.** The contribution by the withdrawing political subdivision must be made in a lump sum or in a series of payments **over a term** determined by the board **that does not exceed thirty (30) years.**

(e) A member who is an employee of the political subdivision as of the date of the notice under subsection (c) is vested in the pension portion of the member's retirement benefit. The withdrawing political subdivision must contribute to the fund the amount the board determines is necessary to fund fully the vested benefit **attributable to service with the withdrawing political subdivision.** The contribution by the withdrawing political subdivision must be made in a lump sum or in a series of payments **over a term** determined by the board **that does not exceed thirty (30) years.**

(f) A member who is covered by subsection (e) and who is at least sixty-five (65) years of age may elect to retire under IC 5-10.2-4-1 even if the member has fewer than ten (10) years of service. The benefit for the member shall be computed under IC 5-10.2-4-4 using the member's actual years of service.

(g) With respect to members of the fund who have creditable service with the withdrawing political subdivision and who are not employees as of the date of the notice under subsection (c), the withdrawing political subdivision must contribute the amount that the board determines is necessary to fund fully the service for those members that is attributable to service with the withdrawing political subdivision. The contribution by the withdrawing political subdivision must be made in a lump sum or in a series of payments **over a term** determined by the board **that does not exceed thirty (30) years.**

~~(h) The board shall evaluate each withdrawal under this section to determine if the withdrawal affects the fund's compliance with Section 401(a)(4) of the Internal Revenue Code of 1954, as in effect on September 1, 1974. The board may deny a political subdivision permission to withdraw if the denial is necessary to achieve compliance with Section 401(a)(4) of the Internal Revenue Code of 1954, as in effect on September 1, 1974.~~

SECTION 17. IC 5-10.3-6-8.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8.2. (a) The following definitions apply throughout this section:**

(1) "Freeze" or "freeze participation in the fund" means to take an action described under subsection (b)(1), (b)(2), or (b)(3).

(2) "Freezing political subdivision" means a political subdivision that freezes its participation in the fund.

(b) Subject to the provisions of this section, a political subdivision that did not take an action described in this subsection before the effective date of this section may adopt an ordinance or resolution, which may not be effective before January 2, 2016, to do the following:

(1) Determine a date (which may not be before January 2, 2016):

(A) before which newly hired employees of a departmental, occupational, or other definable classification of employees are eligible to participate in the fund; and

(B) on or after which newly hired employees of the departmental, occupational, or other definable classification of employees are not eligible to participate in the fund.

(2) Determine a date (which may not be before January 2, 2016):

(A) before which newly hired employees of a departmental, occupational, or other definable classification of employees are required to participate in the fund; and

(B) on or after which newly hired employees of the departmental, occupational, or other definable classification of employees are allowed to choose whether to participate in a retirement benefit system other than the fund.

(3) Modify the political subdivision's employee classification scheme as of a specified date (which may not be before January 2, 2016) in such a way that there is at least one (1) position that:

(A) is covered by the fund before the specified date; and

(B) is not covered by the fund on or after the specified date.

(c) A political subdivision that freezes its participation in the fund after December 31, 2010, shall do the following:

(1) Provide written notice of the following to the board:

(A) The action that was taken under subsection (b) by the freezing political subdivision.

(B) The effective date of the action taken under subsection (b).

(C) The employee classifications that:

(i) are covered by the fund before the effective date of the freeze; and

(ii) will not be covered by the fund on or after the effective date of the freeze.

(D) The names of the freezing political subdivision's current employees and former employees as of the date on which the notice is provided.

(2) Comply with subsections (d) through (f).

(d) With respect to retired members who have creditable service with the freezing political subdivision, the freezing political subdivision shall contribute to the fund any additional amounts that the board determines are necessary to provide for reserves with sufficient assets to pay all future benefits from the fund to those retired members attributable to service with the freezing political subdivision. The board shall collaborate with the freezing political subdivision by sharing the actuarial method and report. The contribution by the freezing political subdivision must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years, as determined by the freezing political subdivision.

(e) With respect to members of the fund who have creditable service with the freezing political subdivision and who are not employees as of the effective date on which the political subdivision freezes its participation in the fund, the freezing political subdivision shall contribute the amount that the board determines is necessary to fund fully the service for those members that is attributable to service with the freezing political subdivision. The board shall collaborate with the freezing political subdivision by sharing the actuarial method and report. The contribution by the freezing political subdivision must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years, as determined by the freezing political subdivision.

(f) With respect to members of the fund who are employees of the freezing political subdivision as of the date of the notice under subsection (c), the freezing political subdivision shall continue to contribute the amounts required under IC 5-10.2-2-11 for those employees for the duration of their employment with the freezing political subdivision. In addition, the freezing political subdivision shall contribute to the fund the amount the board determines is necessary to fund fully the benefits attributable to service with the freezing political subdivision that are vested or will become vested and are not anticipated to be fully funded through the continuing contributions under IC 5-10.2-2-11 during the duration of the members' employment with the freezing political subdivision. The board shall collaborate with the freezing political subdivision by sharing the actuarial method and report. The contribution by the freezing participating entity must be made in a lump sum or in a series of payments over a term that does not exceed thirty (30) years, as determined by the freezing political subdivision.

(g) The Indiana public retirement system may do any of the following to determine a political subdivision's compliance with this section:

(1) Require reports from the political subdivision.

(2) Audit the political subdivision.

SECTION 18. IC 5-10.3-6-8.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8.3. (a) This section applies to a political subdivision that:**

(1) either:

(A) withdraws from the fund under section 8 of this chapter; or

(B) freezes its participation in the fund as described in section 8.2 of this chapter; and

(2) chooses thereafter to offer a retirement plan to its employees.

(b) Except as provided in subsection (c), a political subdivision to which this section applies may offer a retirement plan to its employees only by participating in the defined contribution plan under IC 5-10.3-12.

(c) If, on July 1, 2015, a political subdivision to which this section applies has established or is otherwise participating in a defined contribution plan other than the defined contribution plan under IC 5-10.3-12, the political subdivision may continue to participate in the defined contribution plan in which the political subdivision participated on July 1, 2015.

SECTION 19. IC 5-10.3-7-1, AS AMENDED BY P.L.195-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) This section does not apply to:

(1) members of the general assembly; or

(2) employees covered by section 3 of this chapter.

(b) As used in this section, "employees of the state" includes:

(1) employees of the judicial circuits whose compensation is paid from state funds;

(2) elected and appointed state officers;

(3) prosecuting attorneys and deputy prosecuting attorneys of the judicial circuits, whose compensation is paid in whole or in part from state funds, including participants in the prosecuting attorneys retirement fund established under IC 33-39-7;

(4) employees in the classified service;

(5) employees of any state department, institution, board, commission, office, agency, court, or division of state government receiving state appropriations and having the authority to certify payrolls from appropriations or from a trust fund held by the treasurer of state or by any department;

(6) employees of any state agency that is a body politic and corporate;

(7) except as provided under IC 5-10.5-7-4, employees of the board of trustees of the Indiana public retirement system;

(8) persons who:

(A) are employed by the state;

(B) have been classified as federal employees by the United States Secretary of Agriculture; and

(C) are excluded from coverage as federal employees

by the federal Social Security program under 42 U.S.C. 410;

(9) the directors and employees of county offices of family and children;

(10) employees of the center for agricultural science and heritage (the barn); and

(11) members and employees of the state lottery commission.

~~(b)~~ **(c)** An employee of the state or of a participating political subdivision who:

(1) became a full-time employee of the state or of a participating political subdivision in a covered position; and

(2) had not become a member of the fund;

before April 1, 1988, shall on April 1, 1988, become a member of the fund unless the employee is excluded from membership under section 2 of this chapter.

~~(c)~~ **(d) Except as otherwise provided,** any individual who becomes a full-time employee of the state or of a participating political subdivision in a covered position after March 31, 1988, becomes a member of the fund on the date the individual's employment begins unless the individual is excluded from membership under section 2 of this chapter.

~~(d) For the purposes of this section, "employees of the state" includes:~~

~~(1) employees of the judicial circuits whose compensation is paid from state funds;~~

~~(2) elected and appointed state officers;~~

~~(3) prosecuting attorneys and deputy prosecuting attorneys of the judicial circuits, whose compensation is paid in whole or in part from state funds, including participants in the prosecuting attorneys retirement fund established under IC 33-39-7;~~

~~(4) employees in the classified service;~~

~~(5) employees of any state department, institution, board, commission, office, agency, court, or division of state government receiving state appropriations and having the authority to certify payrolls from appropriations or from a trust fund held by the treasurer of state or by any department;~~

~~(6) employees of any state agency which is a body politic and corporate;~~

~~(7) except as provided under IC 5-10.5-7-4, employees of the board of trustees of the Indiana public retirement system;~~

~~(8) persons who:~~

~~(A) are employed by the state;~~

~~(B) have been classified as federal employees by the Secretary of Agriculture of the United States; and~~

~~(C) are excluded from coverage as federal employees by the federal Social Security program under 42 U.S.C. 410;~~

~~(9) the directors and employees of county offices of family and children;~~

~~(10) employees of the center for agricultural science and heritage (the barn); and~~

~~(11) members and employees of the state lottery commission.~~

(e) An individual:

(1) who becomes a full-time employee of a political subdivision in a covered position after June 30, 2015;

(2) who is employed by a political subdivision that has elected in an ordinance or resolution adopted under IC 5-10.3-6-1 and approved by the board to require an employee in the covered position to become a member of the fund; and

(3) who is not excluded from membership under section 2 of this chapter;

becomes a member of the fund on the date the individual's employment begins.

(f) An individual:

(1) who becomes a full-time employee of a political subdivision in a covered position after an ordinance or resolution described in subdivision (2) that is adopted by the political subdivision has been approved by the board;

(2) who is employed by a political subdivision that has elected in an ordinance or resolution adopted under IC 5-10.3-6-1 and approved by the board:

(A) to allow an employee in the covered position to become a member of the fund or a member of the public employees' defined contribution plan at the discretion of the employee; and

(B) to require an employee in a covered position to make an election under IC 5-10.3-12-20.5 in order to become a member of the plan;

(3) who does not make an election under IC 5-10.3-12-20.5 to become a member of the public employees' defined contribution plan; and

(4) who is not excluded from membership under section 2 of this chapter;

becomes a member of the fund on the date the individual's employment begins.

(g) An individual:

(1) who becomes a full-time employee of a political subdivision in a covered position after an ordinance or resolution described in subdivision (2) that is adopted by the political subdivision has been approved by the board;

(2) who is employed by a political subdivision that has elected in an ordinance or resolution adopted under IC 5-10.3-6-1 and approved by the board:

(A) to allow an employee in the covered position to become a member of the fund or the public employees' defined contribution plan at the discretion of the employee; and

(B) to require an employee to make an election under section 1.1 of this chapter in order to become a member of the fund;

(3) who does make an election under section 1.1 of this chapter to become a member of the fund; and

(4) who is not excluded from membership under section 2 of this chapter;

becomes a member of the fund on the date the individual's employment begins.

SECTION 20. IC 5-10.3-7-1.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.1. (a) An individual:**

(1) who becomes a full-time employee of a political subdivision in a covered position after an ordinance or resolution described in subdivision (2) that is adopted by the political subdivision has been approved by the board;

(2) who is employed by a political subdivision that has elected in an ordinance or resolution adopted under IC 5-10.3-6-1 and approved by the board:

(A) to allow an employee in the covered position to become a member of the fund or the public employees' defined contribution plan at the discretion of the employee; and

(B) to require an employee to make an election under this section in order to become a member of the fund; and

(3) who is not excluded from membership under section 2 of this chapter;

may elect to become a member of the fund.

(b) An election under this section:

(1) must be made in writing on a form prescribed by the board;

(2) must be filed with the board; and

(3) is irrevocable.

(c) An individual who:

(1) is eligible to make the election under this section; and

(2) does not make the election;

becomes a member of the public employees' defined contribution plan.

SECTION 21. IC 5-10.3-7-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. Notwithstanding IC 5-10.2-3-1, for the purpose of computing benefits the creditable service of a member covered by an ordinance or resolution adopted by a political subdivision's governing body under ~~IC 5-10.3-6-1(b)~~ **IC 5-10.3-6-1(e)** excludes all service with the political subdivision before the prior service credit date contained in the resolution. However, service with the political subdivision before the prior service credit date shall be considered for the purpose of determining eligibility for benefits.

SECTION 22. IC 5-10.3-7-12.5, AS AMENDED BY SEA 199-2015, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12.5. (a) An employer or department shall make the reports, membership records, or payments required by IC 5-10.3-6 or by sections 10 through 12 of this chapter:

(1) not more than thirty (30) days after the end of the calendar quarter, if applicable;

(2) by another due date specified in section 10 of this chapter; or

(3) by an alternate due date established by the rules of the board.

(b) If the employer or department does not make the reports, records, or payments within the time specified in subsection (a):

(1) the board may fine the employer or department one hundred dollars ($100) for each additional day that the reports, records, or payments are late, to be withheld under IC 5-10.3-6-7; and

(2) if the employer or department is habitually late, as determined by the board, the board shall report the employer or the department to the auditor of state for additional withholding under IC 5-10.3-6-7.

(c) After December 31, 2009, an employer or department shall submit:

(1) the reports and records described in subsection (a) in a uniform format through a secure connection over the Internet or through other electronic means specified by the board in accordance with IC 5-10.2-2-12.5; and

(2) both:

(A) employer contributions determined under IC 5-10.2-2-11, **IC 5-10.3-12-24, or IC 5-10.3-12-24.5;** and

(B) contributions paid by or on behalf of a member under section 9 of this chapter **or IC 5-10.3-12-23;**

by electronic funds transfer in accordance with IC 5-10.2-2-12.5.

SECTION 23. IC 5-10.3-8-14, AS AMENDED BY P.L.91-2014, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection ~~(c),~~ **(d),** this section applies to employees of the state ~~(as defined in IC 5-10.3-7-1(d))~~ who are:

(1) members of the fund; and

(2) paid by the auditor of state by salary warrants.

(b) Except as provided in subsection ~~(c),~~ **(d),** this section does not apply to the employees of the state ~~(as defined in IC 5-10.3-7-1(d))~~ employed by:

(1) a body corporate and politic of the state created by state statute; or

(2) a state educational institution (as defined in IC 21-7-13-32).

(c) As used in this section, "employees of the state" has the meaning set forth in IC 5-10.3-7-1.

~~(c)~~ **(d)** The chief executive officer of a body or institution described in subsection (b) may elect to have this section apply to the employees of the state ~~(as defined in IC 5-10.3-7-1(d))~~ employed by the body or institution by submitting a written notice of the election to the director. An election under this subsection is effective on the later of:

(1) the date the notice of the election is received by the director; or

(2) July 1, 2013.

~~(d)~~ **(e)** The board shall adopt provisions to establish a retirement medical benefits account within the fund under Section 401(h) or as a separate fund under another applicable section of the Internal Revenue Code for the purpose of converting unused excess accrued leave to a monetary contribution for an employee of the state to fund on a pretax basis benefits for sickness, accident, hospitalization, and medical expenses for the employee and the spouse and dependents of the employee after the employee's retirement. The state may match all or a portion of an employee's contributions to the retirement medical benefits account established under this section.

~~(e)~~ **(f)** The board is the trustee of the account described in subsection ~~(d).~~ **(e).** The account must be qualified, as determined by the Internal Revenue Service, as a separate account within the fund whose benefits are subordinate to the retirement benefits provided by the fund.

~~(f)~~ **(g)** The board may adopt rules under IC 5-10.5-4-2 that it considers appropriate or necessary to implement this section after consulting with the state personnel department. The rules adopted by the board under this section must:

(1) be consistent with the federal and state law that applies to:

(A) the account described in subsection ~~(d);~~ **(e);** and

(B) the fund; and

(2) include provisions concerning:

(A) the type and amount of leave that may be converted to a monetary contribution;

(B) the conversion formula for valuing any leave that is converted;

(C) the manner of employee selection of leave conversion; and

(D) the vesting schedule for any leave that is converted.

~~(g)~~ **(h)** The board may adopt the following:

(1) Account provisions governing:

(A) the investment of amounts in the account; and

(B) the accounting for converted leave.

(2) Any other provisions that are necessary or appropriate for operation of the account.

~~(h)~~ **(i)** The account described in subsection ~~(d)~~ **(e)** may be implemented only if the board has received from the Internal Revenue Service any rulings or determination letters that the board considers necessary or appropriate.

~~(i)~~ **(j)** To the extent allowed by:

(1) the Internal Revenue Code; and

(2) rules adopted by:

(A) the board under this section; and

(B) the state personnel department under IC 5-10-1.1-7.5;

employees of the state may convert unused excess accrued leave to a monetary contribution under this section and under IC 5-10-1.1-7.5.

SECTION 24. IC 5-10.3-12-1, AS AMENDED BY P.L.54-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as **otherwise** provided in ~~subsection (c),~~ **this section,** this chapter applies to **the following:**

(1) An individual who:

(A) on or after the effective date of the plan, ~~(1)~~ becomes for the first time a full-time employee of the state: ~~(as defined in IC 5-10.3-7-1(d)):~~

~~(A)~~ **(i)** in a position that would otherwise be eligible

for membership in the fund under IC 5-10.3-7; and

~~(B)~~ **(ii)** who is paid by the auditor of state by salary warrants; and

~~(2)~~ **(B)** makes the election described in section 20 of this chapter to become a member of the plan.

(2) An individual:

(A) who becomes a full-time employee of a participating political subdivision in a covered position after an ordinance or resolution described in clause (C) that is adopted by the political subdivision has been approved by the board;

(B) who would otherwise be eligible for membership in the fund under IC 5-10.3-7; and

(C) who is employed by a political subdivision that has elected in an ordinance or resolution adopted under IC 5-10.3-6-1 and approved by the board to require an employee in the covered position to become a member of the plan.

(3) An individual:

(A) who becomes a full-time employee of a political subdivision in a covered position after an ordinance or resolution described in clause (C) that is adopted by the political subdivision has been approved by the board;

(B) who would otherwise be eligible for membership in the fund under IC 5-10.3-7;

(C) who is employed by a political subdivision that has elected in an ordinance or resolution adopted under IC 5-10.3-6-1 and approved by the board:

(i) to allow an employee in the covered position to become a member of the fund or a member of the plan at the discretion of the employee; and

(ii) to require an employee in a covered position to make an election under section 20.5 of this chapter in order to become a member of the plan; and

(D) who makes an election under section 20.5 of this chapter to become a member of the plan.

(4) An individual:

(A) who becomes a full-time employee of a political subdivision in a covered position after an ordinance or resolution described in clause (C) that is adopted by the political subdivision has been approved by the board;

(B) who would otherwise be eligible for membership in the fund under IC 5-10.3-7;

(C) who is employed by a political subdivision that has elected in an ordinance or resolution adopted under IC 5-10.3-6-1 and approved by the board:

(i) to allow an employee in the covered position to become a member of the fund or a member of the plan at the discretion of the employee; and

(ii) to require an employee to make an election under IC 5-10.3-7-1.1 in order to become a member of the fund; and

(D) who does not make an election under IC 5-10.3-7-1.1 to become a member of the fund.

(b) Except as provided in subsection (c), this chapter does not apply to an individual who, on or after the effective date of the plan:

(1) becomes for the first time a full-time employee of the state ~~(as defined in IC 5-10.3-7-1(d))~~ in a position that would otherwise be eligible for membership in the fund under IC 5-10.3-7; and

(2) is employed by:

(A) a body corporate and politic of the state created by state statute; or

(B) a state educational institution (as defined in IC 21-7-13-32).

(c) The chief executive officer of a body or institution described in subsection (b) may elect, by submitting a written notice of the election to the director, to have this chapter apply to individuals who, as employees of the body or institution, become for the first time full-time employees of the state ~~(as defined in IC 5-10.3-7-1(d))~~ in positions that would otherwise be eligible for membership in the fund under IC 5-10.3-7. An election under this subsection is effective on the later of:

(1) the date the notice of the election is received by the director; or

(2) March 1, 2013.

(d) This chapter does not apply to ~~an individual who:~~ **the following:**

(1) **An individual who** ~~before the effective date of the plan,~~ is or was a member (as defined in IC 5-10.3-1-5) of the fund ~~or~~ **before otherwise becoming eligible to become a member of the plan.**

(2) **An individual who:**

(A) on or after the effective date of the plan, ~~(A)~~ except as provided in subsection (c), becomes for the first time a full-time employee of the state: ~~(as defined in IC 5-10.3-7-1(d)).~~

(i) in a position that would otherwise be eligible for membership in the fund under IC 5-10.3-7; and

(ii) who is not paid by the auditor of state by salary warrants; or

(B) does not elect to participate in the plan.

(3) An individual who:

(A) is eligible to make the election under IC 5-10.3-7-1.1 to become a member of the fund; and

(B) does make the election under IC 5-10.3-7-1.1 to become a member of the fund.

(4) An individual who is required to become a member of the fund.

SECTION 25. IC 5-10.3-12-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 7.5. As used in this chapter, "employees of the state" has the meaning set forth in IC 5-10.3-7-1.**

SECTION 26. IC 5-10.3-12-8, AS ADDED BY P.L.22-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. As used in this chapter, "employer" means the state **or a participating political subdivision.**

SECTION 27. IC 5-10.3-12-12, AS ADDED BY P.L.22-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. As used in this chapter, "member" means an individual who has elected **or is required** to participate in the plan.

SECTION 28. IC 5-10.3-12-14.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. As used in this chapter, "participating political subdivision" means a political subdivision which is participating in the plan as specified in IC 5-10.3-6.**

SECTION 29. IC 5-10.3-12-20, AS ADDED BY P.L.22-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 20. (a) **This section applies only to** an individual who, on or after the effective date of the plan, becomes for the first time a full-time employee of the state ~~(as defined in IC 5-10.3-7-1(d))~~ in a position that would otherwise be eligible for membership in the fund under IC 5-10.3-7.

(b) An individual to whom this section applies may elect to become a member of the plan. An election under this section:

(1) must be made in writing;

(2) must be filed with the board, on a form prescribed by the board; and

(3) is irrevocable.

~~(b)~~ **(c)** An individual who does not elect to become a member of the plan becomes a member (as defined in IC 5-10.3-1-5) of the fund.

SECTION 30. IC 5-10.3-12-20.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 20.5. (a) This section applies to an individual described in section 1(a)(3) of this chapter who is otherwise eligible to become a member of the plan.**

(b) An individual described in subsection (a) may elect to become a member of the plan on the date the individual begins the individual's employment in a covered position with a political subdivision that participates in the plan.

(c) An election under this section:

(1) must be made in writing;

(2) must be filed with the board on a form prescribed by the board; and

(3) is irrevocable.

(d) An individual described in subsection (a) who does not elect to become a member of the plan becomes a member (as defined in IC 5-10.3-1-5) of the fund.

SECTION 31. IC 5-10.3-12-21, AS AMENDED BY P.L.35-2012, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 21. (a) The plan consists of the following:

(1) Each member's contributions to the plan under section 23 of this chapter.

(2) Contributions made by an employer to the plan on behalf of each member under section 24 **or 24.5** of this chapter.

(3) Rollovers to the plan by a member under section 29 of this chapter.

(4) All earnings on investments or deposits of the plan.

(5) All contributions or payments to the plan made in the manner provided by the general assembly.

(b) The plan shall establish an account for each member. A member's account consists of two (2) subaccounts credited individually as follows:

(1) The member contribution subaccount consists of:

(A) the member's contributions to the plan under section 23 of this chapter; and

(B) the net earnings on the contributions described in clause (A) as determined under section 22 of this chapter.

(2) The employer contribution subaccount consists of:

(A) the employer's contributions made on behalf of the member to the plan under section 24 **or 24.5** of this chapter; and

(B) the earnings on the contributions described in clause (A) as determined under section 22 of this chapter.

The board may combine the two (2) subaccounts established under this subsection into a single account, if the board determines that a single account is administratively appropriate and permissible under applicable law.

(c) If a member makes rollover contributions under section 29 of this chapter, the plan shall establish a rollover account as a separate subaccount within the member's account.

SECTION 32. IC 5-10.3-12-23, AS AMENDED BY P.L.5-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) Each member's contribution to the plan is equal to three percent (3%) of the member's compensation.

(b) For a member who is an employee of the state, the state shall pay the member's contribution on behalf of ~~each~~ **the** member ~~of the plan~~ each year.

(c) For a member who is an employee of a political subdivision, the political subdivision may pay all or part of the member's contribution on behalf of the member.

~~(b)~~ **(d)** To the extent permitted by the Internal Revenue Code and applicable regulations, a member of the plan may make contributions to the plan in addition to the contribution required under subsection (a). IC 5-10.2-3-2(c) and IC 5-10.2-3-2(d) govern additional contributions made under this subsection.

~~(c)~~ **(e)** Member contributions will be credited to the member's account as specified in IC 5-10.2-3.

~~(d)~~ **(f)** Although designated as employee contributions, the contributions made under subsection ~~(a)~~ **(b)** are picked up and paid by the state as the employer in lieu of the contributions being paid by the employee in accordance with Section 414(h)(2) of the Internal Revenue Code.

(g) Although designated as employee contributions, the contributions made under subsection (c) by a political subdivision may be picked up and paid by the employer instead of the contributions being paid by the employee in accordance with Section 414(h)(2) of the Internal Revenue Code.

(h) A member may not receive any amounts paid by ~~the state~~ **an employer** under this section directly instead of having the amounts paid to the plan.

SECTION 33. IC 5-10.3-12-24, AS ADDED BY P.L.22-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 24. (a) The state shall make employer contributions to the plan based on the rate determined under this section.

(b) The ~~employer's~~ **state's** contribution rate for the plan ~~shall be~~ **is** equal to the employer's contribution rate for the fund as determined by the board under IC 5-10.2-2-11(b). The amount credited from the employer's contribution rate to the member's account shall not be greater than the normal cost of the fund. Any amount not credited to the member's account shall be applied to the unfunded accrued liability of the fund as determined under IC 5-10.2-2-11(a)(3) and IC 5-10.2-2-11(a)(4).

(c) The state's minimum contribution under this section is equal to three percent (3%) of the compensation of all members of the plan **who are employees of the state.**

(d) The state shall submit the employer contributions determined under this section as provided in IC 5-10.2-2-12.5.

SECTION 34. IC 5-10.3-12-24.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 24.5. (a) A participating political subdivision shall make employer contributions to the plan based on the rate determined under this section.**

(b) A participating political subdivision's contribution rate for the plan is equal to the sum of:

(1) the contribution rate determined by the participating political subdivision under IC 5-10.3-6-1(c); and

(2) the sum, for each member employed by the participating political subdivision, of:

(A) the member's additional contribution to the plan under section 23(d) of this chapter; multiplied by

(B) the participating political subdivision's matching rate determined under IC 5-10.3-6-1(d).

(c) For each employee of a participating political subdivision, the amount credited to the member's account is the part of the employer's contribution determined under subsection (b) that is attributable to the member's compensation and the member's additional contributions.

(d) A participating political subdivision shall submit the employer contributions determined under this section as provided in IC 5-10.2-2-12.5.

SECTION 35. IC 5-10.3-12-25, AS AMENDED BY P.L.6-2012, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) Member contributions and net earnings on the member contributions in the member contribution subaccount belong to the member at all times and do not belong to ~~the state.~~ **any employer.**

(b) A member is vested in the employer contribution subaccount in accordance with the following schedule:

Years of participation in the plan and earnings	Vested percentage of employer contributions
1	20%
2	40%
3	60%
4	80%
5	100%

For purposes of vesting in the employer contribution subaccount, only a member's full years of participation in the plan may be counted.

(c) The amount that a member may withdraw from the member's account is limited to the vested portion of the account.

(d) A member who attains normal retirement age is fully vested in all amounts in the member's account.

(e) If a member separates from service with the ~~state~~ **member's employer** before the member is fully vested in the employer contribution subaccount, the amount in the employer contribution subaccount that is not vested is forfeited as of the date the member separates from service.

(f) Amounts forfeited under subsection (e) must be used to reduce the ~~state's~~ unfunded accrued liability of the fund as determined under IC 5-10.2-2-11(a)(3) and IC 5-10.2-2-11(a)(4).

(g) A member may not earn creditable service (as defined in IC 5-10.2-3-1(a)) under the plan.

SECTION 36. IC 5-10.3-12-31, AS ADDED BY P.L.22-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) If a member of the plan separates from employment with the ~~state~~ **member's employer** and later returns to ~~state~~ employment in a position covered by the plan:

(1) the member resumes the member's participation in the plan; and

(2) the member is entitled to receive credit for the member's years of participation in the plan before the member's separation.

However, any amounts forfeited by the member under section 25(e) of this chapter may not be restored to the member's account.

~~(b) An individual who elected under section 20 of this chapter to become a member of the plan resumes membership in the plan upon the individual's return to state employment.~~

~~(c) An individual who~~ **(b) If a member (as defined in IC 5-10.3-1-5) of the fund separates from employment with the member's employer and later returns to employment in a position covered by the fund,** ~~did not elect to become a member of~~ the ~~plan~~ **individual** resumes **the membership member's participation** in the fund.

~~(d)~~ **(c)** An individual who returns to state employment having had an opportunity to make an election under section 20 of this chapter during an earlier period of state employment is not entitled to a second opportunity to make an election under section 20 of this chapter.

SECTION 37. IC 21-38-3-3, AS AMENDED BY P.L.3-2008, SECTION 146, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The board of trustees of Ball State University may define the duties and provide compensation for faculty and staff of the university. **Subject to IC 5-10.2-2-20 and IC 5-10.2-2-21,** the authority of the board under this section includes the authority to establish fringe benefit programs, including retirement benefits, that may be supplemental to, or instead of, state retirement programs for teachers or other public employees as authorized by law.

SECTION 38. IC 21-38-3-4, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The board of trustees of Indiana University may:

(1) elect a president, the professors, and other officers for Indiana University as necessary and prescribe the duties and salaries of those positions;

(2) employ other persons as necessary; and

(3) **subject to IC 5-10.2-2-20 and IC 5-10.2-2-21,** establish programs of fringe benefits and retirement benefits for Indiana University's officers, faculty, and other employees that may be supplemental to, or instead of, state retirement programs established by statute for public employees.

SECTION 39. IC 21-38-3-5, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The board of trustees of Indiana State University may prescribe the duties and provide the compensation, including retirement and other benefits, of the faculty, administration, and employees of Indiana State University. **The authorization under this section to provide retirement benefits to the faculty, administration, and employees of Indiana State University is subject to IC 5-10.2-2-20 and IC 5-10.2-2-21.**

SECTION 40. IC 21-38-3-7, AS ADDED BY P.L.169-2007, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The board of trustees of Ivy Tech Community College may do the following:

(1) Develop a statewide salary structure and classification system, including provisions for employee group insurance, employee benefits, and personnel policies.

(2) Employ the chief administrator of each region.

(3) Authorize the chief administrator of a region to employ the necessary personnel for the region, determine qualifications for positions, and fix compensation for positions in accordance with statewide policies established under subdivision (1).

The authorizations under this section to provide for employee benefits and compensation are subject to IC 5-10.2-2-20 and IC 5-10.2-2-21.

SECTION 41. IC 21-38-3-8, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The board of trustees of Purdue University may elect all professors and teachers, removable at the board's pleasure; fix and regulate compensations, including programs of fringe benefits and retirement benefits that may be supplemental to or in lieu of state retirement programs established by statute for public employees. **The authorization to provide retirement benefits under this section is subject to IC 5-10.2-2-20 and IC 5-10.2-2-21.**

SECTION 42. IC 21-38-3-9, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The University of Southern Indiana may employ a faculty and staff for the university, define the duties of the faculty and staff, and provide compensation for the faculty and staff, including a program of fringe benefits and a program of retirement benefits that may supplement or supersede the state retirement programs established by statute for teachers or other public employees. **The authorization to provide retirement benefits under this section is subject to IC 5-10.2-2-20 and IC 5-10.2-2-21.**

SECTION 43. IC 21-38-3-11, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The board of trustees of Vincennes University may elect and appoint persons of suitable learning and talents to be president and professors of Vincennes University and, **subject to IC 5-10.2-2-20 and IC 5-10.2-2-21,** agree with them for their salaries and emoluments. The board of trustees shall appoint a president to preside over and govern Vincennes University.

SECTION 44. IC 21-38-7-3, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **Subject to IC 5-10.2-2-20 and IC 5-10.2-2-21,** a state educational institution may establish a retirement benefit system for the employees of the state educational institution.

SECTION 45. IC 36-8-8-11.5, AS AMENDED BY

P.L.35-2012, SECTION 125, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11.5. (a) **This subsection applies to a fund member who is less than fifty-five (55) years of age on the date on which the fund member retires.** Not less than thirty (30) days after a fund member retires from a position covered by this chapter, the fund member may:

(1) be rehired by the same unit that employed the fund member in a position covered by this chapter for a position not covered by this chapter; and

(2) continue to receive the fund member's retirement benefit under this chapter.

(b) This subsection applies to a fund member who is at least fifty-five (55) years of age on the date on which the fund member retires. In accordance with the federal Pension Protection Act of 2006 (P.L.109-280) and unless otherwise prohibited by law, a fund member may:

(1) be rehired by the same unit that employed the fund member in a position covered by this chapter for a position not covered by this chapter without a minimum period of separation from employment; and

(2) continue to receive the fund member's retirement benefit under this chapter.

~~(b)~~ **(c)** This section may be implemented unless the system board receives from the Internal Revenue Service a determination that prohibits the implementation.

SECTION 46. **An emergency is declared for this act.**

(Reference is to EHB 1466 as reprinted April 15, 2015.)

CARBAUGH	L. BROWN
FORESTAL	TALLIAN
House Conferees	Senate Conferees

Roll Call 557: yeas 94, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1472–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1472 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-6-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. **(a)** No agency, except as provided in this chapter, shall have any right to name, appoint, employ, or hire any attorney or special or general counsel to represent it or perform any legal service in behalf of ~~such~~ **the** agency and the state without the written consent of the attorney general.

(b) An attorney employed by an agency is subject to IC 34-46-3-1 and Trial Rule 26(B) of the Indiana Rules of Trial Procedure, commonly referred to as the attorney-client and work product privileges, if the requirements to assert the protection and privilege have been satisfied.

SECTION 2. IC 6-1.1-3-7.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 7.3. (a) A county fiscal body may adopt an ordinance to impose a local service fee on each person that files an annual certification with the county assessor under section 7.2 of this chapter stating that the person's business personal property in the county is exempt from taxation under section 7.2 of this chapter for an assessment date after December 31, 2015.**

(b) The county fiscal body shall specify the amount of the local service fee in the ordinance. A local service fee imposed on a person under this section may not exceed fifty dollars ($50).

(c) A local service fee imposed for an assessment date is due and payable at the same time that property taxes for that assessment date are due and payable. A county may collect a delinquent local service fee in the same manner as delinquent property taxes are collected.

(d) The revenue from a local service fee:

(1) shall be allocated in the same manner and proportion and at the same time as property taxes are allocated to each taxing unit in the county; and

(2) may be used by a taxing unit for any lawful purpose of the taxing unit.

SECTION 3. IC 6-1.1-18.5-22.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 22.3. (a) This section applies only to Brown County due to unique circumstances regarding the approval of budgets and the resulting property tax levies for various county funds in 2013 through 2014.**

(b) If the county fiscal body adopts an ordinance before October 1, 2015, to impose a property tax levy in 2016 and in 2017 under this section, the department shall permit the county to impose the levy in each of those years. The property tax levy:

(1) is not subject to the maximum permissible ad valorem property tax levy limits otherwise applicable to the county under this chapter; and

(2) may not be considered in calculating the maximum permissible ad valorem property tax levy limits otherwise applicable to the county under this chapter.

(c) The amount of the property tax levy that may be imposed by the county each year under this section in 2016 and in 2017 is four hundred seventy-eight thousand one hundred fifteen dollars ($478,115) in each of those years.

(d) The money received from a property tax levy under this section must be deposited in a separate fund. The money in the fund may be used by the county only to make transfers to the county funds that were affected in 2013 through 2014 by the unique circumstances regarding the approval of budgets and the resulting property tax levies, in the amounts determined to be appropriate by the department.

(e) This section expires June 30, 2020.

SECTION 4. IC 6-1.1-18.5-23.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 23.2. (a) This section applies to the following townships in Hancock County:**

(1) Brown Township.

(2) Jackson Township.

(3) Blue River Township.

(b) The executive of a township listed in subsection (a) may, after approval by the fiscal body of the township, submit a petition to the department of local government finance requesting an increase in the maximum permissible ad valorem property tax levy for the township's general fund.

(c) If the executive of a township submits a petition under subsection (b), the department of local government finance shall increase the maximum permissible ad valorem property tax levy for the township's general fund for property taxes first due and payable after December 31, 2015, by an amount equal to the lesser of the following:

(1) Twenty-five thousand dollars ($25,000).

(2) The sum of the following:

(A) The amount necessary to make the maximum permissible ad valorem property tax levy for the township's general fund equal to the maximum permissible ad valorem property tax levy that would have applied to the township's general fund under section 3 of this chapter for property taxes first due

and payable after December 31, 2015, if in each year, beginning in 2003 and ending in 2015, the township had imposed the maximum permissible ad valorem property tax levy for the township's general fund in each of those years (regardless of whether the township did impose the entire amount of the maximum permissible ad valorem property tax levy for the township's general fund).

(B) The amount necessary to make the maximum permissible ad valorem property tax levy under section 3 of this chapter for the township's firefighting fund under IC 36-8-13 equal to the maximum permissible ad valorem property tax levy under section 3 of this chapter that would have applied to the township's firefighting fund for property taxes first due and payable after December 31, 2015, if in each year, beginning in 2003 and ending in 2015, the township had imposed the maximum permissible ad valorem property tax levy for the township's firefighting fund in each of those years (regardless of whether the township did impose the entire amount of the maximum permissible ad valorem property tax levy for the township's firefighting fund).

SECTION 5. IC 6-2.5-1-21.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 21.5. "Licensed practitioner" means an individual who is a doctor, dentist, veterinarian, or other practitioner licensed to prescribe, dispense, and administer drugs to human beings or animals in the course of the practitioner's professional practice of treating patients.**

SECTION 6. IC 6-2.5-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 1. For purposes of this chapter:

(a) "Use" means the exercise of any right or power of ownership over tangible personal property.

(b) "Storage" means the keeping or retention of tangible personal property in Indiana for any purpose except ~~the subsequent use of that property solely outside Indiana.~~ **temporary storage.**

(c) "A retail merchant engaged in business in Indiana" includes any retail merchant who makes retail transactions in which a person acquires personal property or services for use, storage, or consumption in Indiana and who:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or other place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, or subsidiary;

(2) maintains a representative, agent, salesman, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana;

(3) is otherwise required to register as a retail merchant under IC 6-2.5-8-1; or

(4) may be required by the state to collect tax under this article to the extent allowed under the Constitution of the United States and federal law.

(d) "Temporary storage" means the keeping or retention of tangible personal property in Indiana for a period of not more than one hundred eighty (180) days and only for the purpose of the subsequent use of that property solely outside Indiana.

~~(d)~~ **(e)** Notwithstanding any other provision of this section, tangible or intangible property that is:

(1) owned or leased by a person that has contracted with a commercial printer for printing; and

(2) located at the premises of the commercial printer;

shall not be considered to be, or to create, an office, a place of distribution, a sales location, a sample location, a warehouse, a storage place, or other place of business maintained, occupied, or used in any way by the person. A commercial printer with which a person has contracted for printing shall not be considered to be in any way a representative, an agent, a salesman, a canvasser, or a solicitor for the person.

SECTION 7. IC 6-2.5-5-5.1, AS AMENDED BY P.L.137-2012, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.1. (a) As used in this section, "tangible personal property" includes electrical energy, natural or artificial gas, water, steam, and steam heat.

(b) Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring the property acquires it for direct consumption as a material to be consumed in the direct production of other tangible personal property in the person's business of manufacturing, processing, refining, repairing, mining, agriculture, horticulture, floriculture, or arboriculture. This exemption includes transactions involving acquisitions of tangible personal property used in commercial printing.

~~(c) A refund claim based on the exemption provided by this section for electrical energy, natural or artificial gas, water, steam, and steam heat may not cover transactions that occur more than thirty-six (36) months before the date of the refund claim.~~

SECTION 8. IC 6-2.5-5-18, AS AMENDED BY P.L.265-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. **(a) As used in this section, "legend drug" means a drug (as defined in IC 6-2.5-1-17) that is also a legend drug for purposes of IC 16-18-2-199.**

(b) As used in this section, "nonlegend drug" means a drug (as defined in IC 6-2.5-1-17) that is not a legend drug.

(c) Transactions involving the following are exempt from the state gross retail tax if the end user acquires the property upon a prescription or drug order (as defined in IC 16-42-19-3) that is required by law for the transaction from a licensed practitioner:

~~(a)~~ **(1)** ~~Sales or rentals of~~ Durable medical equipment **(including a repair or a replacement part).**

(2) Mobility enhancing equipment **(including a repair or replacement part).**

(3) Prosthetic devices, **including** artificial limbs, orthopedic devices, dental prosthetic devices, eyeglasses, **and** contact lenses **(and including a repair or a replacement part).**

~~and other medical supplies and devices are exempt from the state gross retail tax, if the sales or rentals are prescribed by a person licensed to issue the prescription.~~

(4) Other medical supplies or devices that are used exclusively for medical treatment of a medically diagnosed condition, including a medically diagnosed condition due to:

(A) injury;

(B) bodily dysfunction; or

(C) surgery.

~~(b)~~ **(5)** ~~Sales of~~ Hearing ~~aids~~ **aid devices** ~~are exempt from the state gross retail tax if the hearing aids are fitted or dispensed by a person licensed or registered for that purpose. In addition, sales of hearing aid parts, attachments, or accessories are exempt from the state gross retail tax. For purposes of this subsection, a hearing aid is a device which is~~ **that are** worn on the body and ~~which is~~ designed to aid, improve, or correct defective human

hearing, **including:**

(A) parts;

(B) attachments;

(C) batteries; or

(D) accessories;

reasonably necessary for use of a hearing aid device.

~~(c) Sales of colostomy bags, ileostomy bags, and the medical equipment, supplies, and devices used in conjunction with those bags are exempt from the state gross retail tax.~~

~~(d) Sales of equipment and devices used to administer insulin are exempt from the state gross retail tax.~~

(6) Legend drugs and nonlegend drugs, if:

(A) a registered pharmacist makes the sale to a patient upon the prescription of a licensed practitioner; or

(B) a licensed practitioner makes the sale to a patient.

(7) A nonlegend drug, if:

(A) the nonlegend drug is dispensed upon an original prescription or a drug order (as defined in IC 16-42-19-3); and

(B) the ultimate user of the drug is a person confined to a hospital or health care facility.

(8) Food, food ingredients, and dietary supplements that are sold by a licensed practitioner or pharmacist.

(d) Transactions involving the following are exempt from the state gross retail tax if the patient acquires the property for the patient's own use without a prescription or drug order:

(1) Hearing aid devices that are:

(A) worn on the body and designed to aid, improve, or correct defective human hearing, including:

(i) parts;

(ii) attachments;

(iii) batteries; or

(iv) accessories;

reasonably necessary for the use of a hearing aid device; and

(B) fitted or dispensed by a person licensed or registered for that purpose.

(2) Colostomy bags, ileostomy bags, and the medical equipment, supplies, and devices used in conjunction with those bags.

(3) Devices and equipment used to administer insulin.

(4) Insulin, oxygen, blood, and blood plasma, if purchased for medical purposes.

SECTION 9. IC 6-2.5-5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 19. (a) As used in this section, "legend drug" means a drug as defined in IC 6-2.5-1-17 that is also a legend drug for purposes of IC 16-18-2-199.

(b) As used in this section, "nonlegend drug" means a drug (as defined in IC 6-2.5-1-17) that is not a legend drug.

~~(c) Sales of legend drugs and sales of nonlegend drugs are exempt from the state gross retail tax if:~~

~~(1) a registered pharmacist makes the sale upon the prescription of a practitioner who is licensed to prescribe, dispense, and administer those drugs to human beings or animals in the course of his professional practice; or~~

~~(2) the licensed practitioner makes the sales.~~

~~(d) Sales of a nonlegend drug are exempt from the state gross retail tax, if:~~

~~(1) the nonlegend drug is dispensed upon an original prescription or a drug order (as defined in IC 16-42-19-3); and~~

~~(2) the ultimate user of the drug is a person confined to a hospital or health care facility.~~

~~(e) Sales of insulin, oxygen, blood, or blood plasma are exempt from the state gross retail tax, if the purchaser purchases the insulin, oxygen, blood, or plasma for medical purposes.~~

~~(f) Sales of drugs, insulin, oxygen, blood, and blood plasma are exempt from the state gross retail tax if:~~

~~(1) the purchaser is a practitioner licensed to prescribe, dispense, and administer drugs to human beings or animals; and~~

~~(2) the purchaser buys the items for:~~

(c) Transactions involving drugs, insulin, oxygen, blood, and blood plasma are exempt from the state gross retail tax if purchased by a licensed practitioner (as defined in IC 6-2.5-1-21.5) or a health care facility (as defined in IC 16-18-2-161(a)) for the purpose of:

~~(A)~~ **(1)** direct consumption in ~~his practice;~~ **treating patients;** or

~~(B)~~ **(2)** resale to a patient that the practitioner is treating, in the case of sales of legend or nonlegend drugs.

SECTION 10. IC 6-2.5-5-21.5 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 21.5. Sales of food and food ingredients prescribed as medically necessary by a physician licensed to practice medicine in Indiana are exempt from the state gross retail tax if:~~

~~(1) a registered pharmacist makes the sale upon the prescription of a practitioner who is licensed to practice medicine in Indiana; or~~

~~(2) the licensed practitioner makes the sale of the food and food ingredients described in this section.~~

SECTION 11. IC 6-2.5-5-40, AS AMENDED BY P.L.288-2013, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 40. (a) As used in this section, "research and development activities" **includes design, refinement, and testing of prototypes of new or improved commercial products before sales have begun for the purpose of determining facts, theories, or principles, or for the purpose of increasing scientific knowledge that may lead to new or enhanced products. The term** does not include any of the following:

(1) Efficiency surveys.

(2) Management studies.

(3) Consumer surveys.

(4) Economic surveys.

(5) Advertising or promotions.

(6) Research in connection with **nontechnical activities, including** literary, historical, **social sciences, economics, humanities, psychology,** or similar projects.

(7) Testing for purposes of quality control.

(8) Market and sales research.

(9) Product market testing, including product testing by product consumers or through consumer surveys for evaluation of consumer product performance or consumer product usability.

(10) The acquisition, investigation, or evaluation of another's patent, model, process, or product for the purpose of investigating or evaluating the value of a potential investment.

(11) The providing of sales services or any other service, whether technical or nontechnical in nature.

(b) As used in this section, "research and development equipment" means tangible personal property that:

(1) consists of or is a combination of:

(A) laboratory equipment;

(B) computers;

(C) computer software;

(D) telecommunications equipment; or

(E) testing equipment;

(2) has not previously been used in Indiana for any purpose; and

(3) is acquired by the purchaser for the purpose of research and development activities devoted directly to experimental or laboratory research and development for:

(A) new products;

(B) new uses of existing products; or

(C) improving or testing existing products.

(c) As used in this section, "research and development property" means tangible personal property that:

(1) has not previously been used in Indiana for any purpose; and

(2) is acquired by the purchaser for the purpose of research and development activities devoted to experimental or laboratory research and development for:

(A) new products;

(B) new uses of existing products; or

(C) improving or testing existing products.

(d) For purposes of subsection (c)(2), a research and development activity is devoted to experimental or laboratory research and development if the activity is considered essential and integral to experimental or laboratory research and development. The term does not include activities incidental to experimental or laboratory research and development.

(e) For purposes of subsection (c)(2), an activity is not considered to be devoted to experimental or laboratory research and development if the activity involves:

(1) heating, cooling, or illumination of office buildings;

(2) capital improvements to real property;

(3) janitorial services;

(4) personnel services or accommodations;

(5) inventory control functions;

(6) management or supervisory functions;

(7) marketing;

(8) training;

(9) accounting or similar administrative functions; or

(10) any other function that is incidental to experimental or laboratory research and development.

~~(d)~~ **(f)** A retail transaction:

(1) involving research and development equipment; and

(2) occurring after June 30, 2007, and before July 1, 2013;

is exempt from the state gross retail tax.

~~(e)~~ **(g)** A retail transaction:

(1) involving research and development property; and

(2) occurring after June 30, 2013;

is exempt from the state gross retail tax.

~~(f)~~ **(h)** The exemption provided by subsection ~~(e)~~ **(g)** applies regardless of whether the person that acquires the research and development property is a manufacturer or seller of the new or existing products specified in subsection (c)(2).

~~(g)~~ **(i)** For purposes of this section, a retail transaction shall be considered as having occurred after June 30, 2013, to the extent that delivery of the property constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2013, to the extent that the agreement of the parties to the transaction is entered into before July 1, 2013, and payment for the property furnished in the transaction is made before July 1, 2013, notwithstanding the delivery of the property after June 30, 2013. This subsection expires January 1, 2017.

SECTION 12. IC 6-2.5-5-45.8, AS ADDED BY P.L.137-2012, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 45.8. (a) For purposes of this section, IC 6-2.5-4-5, and section 30 of this chapter, the following definitions apply:

(1) "Recycling" means the processing of recycling materials and other tangible personal property into a product for sale if the product is predominantly composed of recycling materials. The term does not include the following:

(A) The demolition of improvements to real estate.

(B) The processing of tangible personal property primarily for disposal in a licensed solid waste disposal facility rather than for sale.

(C) The collection of recycling materials. ~~by licensed motor vehicles.~~

(2) "Recycling materials" means tangible personal property, including metal, paper, glass, plastic, textile, or rubber, that:

(A) is considered "scrap" by industry standards or has no more than scrap value;

(B) is a byproduct of another person's manufacturing or production process;

(C) was previously manufactured or incorporated into a product;

(D) would otherwise reasonably be expected to be destined for disposal in a licensed solid waste disposal facility; or

(E) has been removed or diverted from the solid waste stream for sale, use, or reuse as raw materials, regardless of whether or not the materials require subsequent processing or separation from each other.

(3) "Processing of recycling materials" means:

(A) ~~the activities involved in collecting or otherwise~~ receiving recycling materials and other tangible personal property; and

(B) creating a product for sale by changing the original form, use, or composition of the property (whether manually, mechanically, chemically, or otherwise) through weighing, sorting, grading, separating, shredding, crushing, compacting, breaking, cutting, baling, shearing, torching, wire-stripping, or other means.

(4) "Occupationally engaged in the business of recycling" means to engage in recycling with the intention of doing so at a profit.

(5) "Recycling cart" means a manually propelled container with a capacity of not more than one hundred (100) gallons of recycling materials.

~~(b) Transactions involving machinery, tools, and equipment are exempt from the state gross retail tax if:~~

~~(1) the person acquiring that property acquires it for direct use in the direct processing of recycling materials; and~~

~~(2) the person acquiring that property is occupationally engaged in recycling~~.

~~(c)~~ **(b)** Transactions involving recycling materials and other tangible personal property ~~to be consumed in the processing of recycling materials or to become a part of the product produced by the processing of recycling materials~~ are exempt from the state gross retail tax if:

(1) the person acquiring that property acquires it for **the person's** direct use in the ~~direct~~ processing of recycling materials; and

(2) the person acquiring that property is occupationally engaged in **the business of** recycling.

(c) Notwithstanding subsection (a)(1)(C), transactions involving a recycling cart are exempt from the state gross retail tax if the person acquiring the recycling cart is occupationally engaged in the business of recycling.

SECTION 13. IC 6-2.5-8-7, AS AMENDED BY P.L.196-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) The department may, for good cause, revoke a certificate issued under section 1, 3, or 4 of this chapter. However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate under this subsection. Good cause for revocation may include the following:

~~(1) Sale or solicitation of a sale involving a synthetic drug (as defined in IC 35-31.5-2-321) or a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5).~~

~~(2) Failure to collect sales tax on a sale involving a synthetic drug or a synthetic drug lookalike substance.~~

(1) Failure to:

(A) file a return required under this chapter or for any tax collected for the state in trust; or

(B) remit any tax collected for the state in trust.

(2) Being charged with a violation of any provision under IC 35.

(3) Being subject to a court order under IC 7.1-2-6-7, IC 32-30-6-8, IC 32-30-7, or IC 32-30-8.

The department may revoke a certificate before a criminal adjudication or without a criminal charge being filed. If the department gives notice of an intent to revoke based on an alleged violation of subdivision ~~(1) or~~ (2), the department shall hold a public hearing to determine whether good cause exists. If the department finds in a public hearing by a preponderance of the evidence that a person has committed a violation described in subdivision ~~(1) or~~ (2), the department shall proceed in accordance with subsection (i) (if the violation resulted in a criminal conviction) or subsection (j) (if the violation resulted in a judgment for an infraction).

(b) The department shall revoke a certificate issued under section 1, 3, or 4 of this chapter if, for a period of three (3) years, the certificate holder fails to:

(1) file the returns required by IC 6-2.5-6-1; or

(2) report the collection of any state gross retail or use tax on the returns filed under IC 6-2.5-6-1.

However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate.

(c) The department may, for good cause, revoke a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if:

(1) the certificate holder is subject to an innkeeper's tax under IC 6-9; and

(2) a board, bureau, or commission established under IC 6-9 files a written statement with the department.

(d) The statement filed under subsection (c) must state that:

(1) information obtained by the board, bureau, or commission under IC 6-8.1-7-1 indicates that the certificate holder has not complied with IC 6-9; and

(2) the board, bureau, or commission has determined that significant harm will result to the county from the certificate holder's failure to comply with IC 6-9.

(e) The department shall revoke or suspend a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if:

(1) the certificate holder owes taxes, penalties, fines, interest, or costs due under IC 6-1.1 that remain unpaid at least sixty (60) days after the due date under IC 6-1.1; and

(2) the treasurer of the county to which the taxes are due requests the department to revoke or suspend the certificate.

(f) The department shall reinstate a certificate suspended under subsection (e) if the taxes and any penalties due under IC 6-1.1 are paid or the county treasurer requests the department to reinstate the certificate because an agreement for the payment of taxes and any penalties due under IC 6-1.1 has been reached to the satisfaction of the county treasurer.

(g) The department shall revoke a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if the department finds in a public hearing by a preponderance of the evidence that the certificate holder has violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4.

(h) If a person makes a payment for the certificate under section 1 or 3 of this chapter with a check, credit card, debit card, or electronic funds transfer, and the department is unable to obtain payment of the check, credit card, debit card, or electronic funds transfer for its full face amount when the check, credit card, debit card, or electronic funds transfer is presented for payment through normal banking channels, the department shall notify the person by mail that the check, credit card, debit card, or electronic funds transfer was not honored and that the person has five (5) days after the notice is mailed to pay the fee in cash, by certified check, or other guaranteed payment. If the person fails to make the payment within the five (5) day period, the department shall revoke the certificate.

(i) If the department finds in a public hearing by a preponderance of the evidence that a person has a conviction for a violation of IC 35-48-4-10.5 and the conviction involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:

(1) shall suspend the registered retail merchant certificate for the place of business for one (1) year; and

(2) may not issue another retail merchant certificate under section 1 of this chapter for one (1) year to any person:

(A) that:

(i) applied for; or

(ii) made a retail transaction under;

the retail merchant certificate suspended under subdivision (1); or

(B) that:

(i) owned or co-owned, directly or indirectly; or

(ii) was an officer, a director, a manager, or a partner of;

the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).

(j) If the department finds in a public hearing by a preponderance of the evidence that a person has a judgment for a violation of IC 35-48-4-10.5 as an infraction and the violation involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:

(1) may suspend the registered retail merchant certificate for the place of business for six (6) months; and

(2) may withhold issuance of another retail merchant certificate under section 1 of this chapter for six (6) months to any person:

(A) that:

(i) applied for; or

(ii) made a retail transaction under;

the retail merchant certificate suspended under subdivision (1); or

(B) that:

(i) owned or co-owned, directly or indirectly; or

(ii) was an officer, a director, a manager, or a partner of;

the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).

SECTION 14. IC 6-2.5-8-8, AS AMENDED BY P.L.145-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) A person, authorized under subsection (b), who makes a purchase in a transaction which is exempt from the state gross retail and use taxes, may issue an exemption certificate to the seller instead of paying the tax. The person shall issue the certificate on forms and in the manner prescribed by the department. A seller accepting a proper exemption certificate under this section has no duty to collect or remit the state gross retail or use tax on that purchase.

(b) The following are the only persons authorized to issue exemption certificates:

(1) Retail merchants, wholesalers, and manufacturers, who are registered with the department under this chapter.

(2) Organizations which are exempt from the state gross retail tax under IC 6-2.5-5-21, IC 6-2.5-5-25, or IC 6-2.5-5-26 and which are registered with the department under this chapter. ~~and~~

(3) Persons who are exempt from the state gross retail tax under IC 6-2.5-4-5 and who receive an exemption certificate from the department.

~~(3)~~ **(4)** Other persons who are exempt from the state gross retail tax with respect to any part of their purchases.

(c) The department may also allow a person to issue a blanket exemption certificate to cover exempt purchases over a stated period of time. The department may impose conditions on the use of the blanket exemption certificate and restrictions on the kind or category of purchases that are exempt.

(d) A seller that accepts an incomplete exemption certificate under subsection (a) is not relieved of the duty to collect gross retail or use tax on the sale unless the seller obtains:

(1) a fully completed exemption certificate; or

(2) the relevant data to complete the exemption certificate; within ninety (90) days after the sale.

(e) If a seller has accepted an incomplete exemption certificate under subsection (a) and the department requests that the seller substantiate the exemption, within one hundred twenty (120) days after the department makes the request the seller shall:

(1) obtain a fully completed exemption certificate; or

(2) prove by other means that the transaction was not subject to state gross retail or use tax.

(f) A power subsidiary (as defined in IC 6-2.5-4-5) or a person selling the services or commodities listed in IC 6-2.5-4-5(b) who accepts an exemption certificate issued by the department to a person who is exempt from the state gross retail tax under IC 6-2.5-4-5 is relieved from the duty to collect state gross retail or use tax on the sale of the services or commodities listed in IC 6-2.5-4-5(b) until notified by the department that the exemption certificate has expired or has been revoked. If the department notifies a power subsidiary or a person selling the services or commodities listed in IC 6-2.5-4-5(b) that a person's exemption certificate has expired or has been revoked, the power subsidiary or person selling the services or commodities listed in IC 6-2.5-4-5(b) shall begin collecting state gross retail tax on the sale of the services or commodities listed in IC 6-2.5-4-5(b) to the person whose exemption certificate has expired or been revoked not later than thirty (30) days after the date of the department's notice. An exemption certificate issued by the department to a person who is exempt from the state gross retail tax under IC 6-2.5-4-5 remains valid for that person regardless of any subsequent one (1) for one (1) meter number changes with respect to that person that are required, made, or initiated by a power subsidiary or a person selling the services or commodities listed in IC 6-2.5-4-5(b). Within thirty (30) days after the final day of each calendar year quarter, a power subsidiary or a person selling the services or commodities listed in IC 6-2.5-4-5(b) shall report to the department any meter number changes made during the immediately preceding calendar year quarter and distinguish between the one (1) for one (1) meter changes and the one (1) for multiple meter changes made during the calendar year quarter. Except for a person to whom a blanket utility exemption applies, any meter number changes not involving a one (1) to one (1) relationship will no longer be exempt and will require the person to submit a new utility exemption application for the new meters. Until an application for a new meter is approved, the new meter is subject to the state gross retail tax and the power subsidiary or the person selling the services or commodities listed in IC 6-2.5-4-5(b) is required to collect the state gross retail tax from the date of the meter change.

SECTION 15. IC 6-3-1-11, AS AMENDED BY P.L.205-2013, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, ~~2013.~~ **2015.**

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, ~~2011,~~ **2015,** that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, ~~2011,~~ **2015,** shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, ~~2013,~~ **2015,** that is effective for any taxable year that began before January 1, ~~2013,~~ **2015,** and that affects:

(1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);

(2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);

(3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);

(4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);

(5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or

(6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under section 3.5 of this chapter.

(d) This subsection applies to a taxable year ending before January 1, 2013. The following provisions of the Internal Revenue Code that were amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) are treated as though they were not amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312):

(1) Section 1367(a)(2) of the Internal Revenue Code pertaining to an adjustment of basis of the stock of shareholders.

(2) Section 871(k)(1)(C) and 871(k)(2)(C) of the Internal Revenue Code pertaining the treatment of certain dividends of regulated investment companies.

(3) Section 897(h)(4)(A)(ii) of the Internal Revenue Code pertaining to regulated investment companies qualified entity treatment.

(4) Section 512(b)(13)(E)(iv) of the Internal Revenue Code pertaining to the modification of tax treatment of certain payments to controlling exempt organizations.

(5) Section 613A(c)(6)(H)(ii) of the Internal Revenue Code pertaining to the limitations on percentage depletion in the case of oil and gas wells.

(6) Section 451(i)(3) of the Internal Revenue Code pertaining to special rule for sales or dispositions to implement Federal Energy Regulatory Commission or state electric restructuring policy for qualified electric utilities.

(7) Section 954(c)(6) of the Internal Revenue Code pertaining to the look-through treatment of payments between related controlled foreign corporation under foreign personal holding company rules.

The department shall develop forms and adopt any necessary rules under IC 4-22-2 to implement this subsection.

SECTION 16. IC 6-3-4-6, AS AMENDED BY P.L.172-2011, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) Any taxpayer, upon request by the department, shall furnish to the department a true and correct copy of any tax return which the taxpayer has filed with the United States Internal Revenue Service which copy shall be certified to by the taxpayer under penalties of perjury.

(b) Each taxpayer shall notify the department of any modification **as provided in subsection (c)** of:

(1) a federal income tax return filed by the taxpayer after January 1, 1978; or

(2) the taxpayer's federal income tax liability for a taxable year which begins after December 31, 1977.

The taxpayer shall file the notice on the form prescribed by the department within one hundred twenty (120) days after the modification is made if the modification was made before January 1, 2011, and one hundred eighty (180) days after the modification is made if the modification is made after December 31, 2010.

(c) For purposes of subsection (b), a modification occurs on the date on which a:

(1) taxpayer files an amended federal income tax return;

(2) final determination is made concerning an assessment of deficiency;

(3) final determination is made concerning a claim for a refund;

(4) taxpayer waives the restrictions on assessment and collection of all, or any part, of an underpayment of federal income tax by signing a federal Form 870, or any other Form prescribed by the Internal Revenue Service for that purpose. For purposes of this subdivision:

(A) a final determination does not occur with respect to any part of the underpayment that is not covered by the waiver; and

(B) if the signature of an authorized representative of the Internal Revenue Service is required to execute a waiver, the date of the final determination is the date of signing by the authorized representative of the Internal Revenue Service;

(5) taxpayer enters into a closing agreement with the Internal Revenue Service concerning the taxpayer's tax liability under Section 7121 of the Internal Revenue Code that is a final determination. The date the taxpayer enters into a closing agreement under this subdivision is the date the closing agreement is signed by an authorized representative of the Internal Revenue Service; or

(6) modification or alteration in an amount of tax is otherwise made that is a final determination;

for a taxable year, regardless of whether a modification results in an underpayment or overpayment of tax.

(d) For purposes of subsection (c)(2) through (c)(6), a final determination means an action or decision by a taxpayer, the Internal Revenue Service (including the Appeals Division), the United States Tax Court, or any other United States federal court concerning any disputed tax issue that:

(1) is final and conclusive; and

(2) cannot be reopened or appealed by a taxpayer or the Internal Revenue Service as a matter of law.

~~(c)~~ **(e)** If the federal modification results in a change in the taxpayer's federal or Indiana adjusted gross income, the taxpayer shall file an Indiana amended return within one hundred twenty (120) days after the modification is made if the modification was made before January 1, 2011, and one hundred eighty (180) days after the modification is made if the modification is made after December 31, 2010.

SECTION 17. IC 6-3-4-8, AS AMENDED BY P.L.158-2013, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) Except as provided in subsection (d), every employer making payments of wages subject to tax under this article, regardless of the place where such payment is made, who is required under the provisions of the Internal Revenue Code to withhold, collect, and pay over income tax on wages paid by such employer to such employee, shall, at the time of payment of such wages, deduct and retain therefrom the amount prescribed in withholding instructions issued by the department. The department shall base its withholding instructions on the adjusted gross income tax rate for persons, on the total rates of any income taxes that the taxpayer is subject to under IC 6-3.5, and on the total amount of exclusions the taxpayer is entitled to under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4). However, the withholding instructions on the adjusted gross income of a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) are to be based on applying not more than one (1) withholding exclusion, regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year. Such employer making payments of any wages:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and withheld under this section and shall not be liable to any individual for the amount deducted from the individual's wages and paid over in compliance or intended compliance with this section; and

(2) shall make return of and payment to the department monthly of the amount of tax which under this article and IC 6-3.5 the employer is required to withhold.

(b) An employer shall pay taxes withheld under subsection (a) during a particular month to the department no later than thirty (30) days after the end of that month. However, in place of monthly reporting periods, the department may permit an employer to report and pay the tax for a calendar year reporting period, if the average monthly amount of all tax required to be withheld by the employer in the previous calendar year does not exceed one thousand dollars ($1,000). An employer using a reporting period (other than a monthly reporting period) must file the employer's return and pay the tax for a reporting period no later than the last day of the month immediately following the close of the reporting period.

(c) For purposes of determining whether an employee is subject to taxation under IC 6-3.5, an employer is entitled to rely on the statement of an employee as to the employee's county of residence as represented by the statement of address in forms claiming exemptions for purposes of withholding, regardless of when the employee supplied the forms. Every employee shall notify the employee's employer within five (5) days after any change in the employee's county of residence.

(d) A county that makes payments of wages subject to tax under this article:

(1) to a precinct election officer (as defined in IC 3-5-2-40.1); and

(2) for the performance of the duties of the precinct election officer imposed by IC 3 that are performed on election day;

is not required, at the time of payment of the wages, to deduct and retain from the wages the amount prescribed in withholding instructions issued by the department.

(e) Every employer shall, at the time of each payment made by the employer to the department, deliver to the department a return upon the form prescribed by the department showing:

(1) the total amount of wages paid to the employer's employees;

(2) the amount deducted therefrom in accordance with the provisions of the Internal Revenue Code;

(3) the amount of adjusted gross income tax deducted therefrom in accordance with the provisions of this section;

(4) the amount of income tax, if any, imposed under IC 6-3.5 and deducted therefrom in accordance with this section; and

(5) any other information the department may require.

Every employer making a declaration of withholding as provided in this section shall furnish the employer's employees annually, but not later than thirty (30) days after the end of the calendar year, a record of the total amount of adjusted gross income tax and the amount of each income tax, if any, imposed under IC 6-3.5, withheld from the employees, on the forms prescribed

by the department. **In addition, the employer shall file Form WH-3 annual withholding tax reports with the department not later than thirty-one (31) days after the end of the calendar year.**

(f) All money deducted and withheld by an employer shall immediately upon such deduction be the money of the state, and every employer who deducts and retains any amount of money under the provisions of this article shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in this article. Any employer may be required to post a surety bond in the sum the department determines to be appropriate to protect the state with respect to money withheld pursuant to this section.

(g) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to employers subject to the provisions of this section, and for these purposes any amount deducted or required to be deducted and remitted to the department under this section shall be considered to be the tax of the employer, and with respect to such amount the employer shall be considered the taxpayer. In the case of a corporate or partnership employer, every officer, employee, or member of such employer, who, as such officer, employee, or member is under a duty to deduct and remit such taxes, shall be personally liable for such taxes, penalties, and interest.

(h) Amounts deducted from wages of an employee during any calendar year in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such employee for the employee's taxable year which begins in such calendar year, and a return made by the employer under subsection (b) shall be accepted by the department as evidence in favor of the employee of the amount so deducted from the employee's wages. Where the total amount so deducted exceeds the amount of tax on the employee as computed under this article and IC 6-3.5, the department shall, after examining the return or returns filed by the employee in accordance with this article and IC 6-3.5, refund the amount of the excess deduction. However, under rules promulgated by the department, the excess or any part thereof may be applied to any taxes or other claim due from the taxpayer to the state of Indiana or any subdivision thereof. ~~No refund shall be made to an employee who fails to file the employee's return or returns as required under this article and IC 6-3.5 within two (2) years from the due date of the return or returns.~~ In the event that the excess tax deducted is less than one dollar ($1), no refund shall be made.

(i) This section shall in no way relieve any taxpayer from the taxpayer's obligation of filing a return or returns at the time required under this article and IC 6-3.5, and, should the amount withheld under the provisions of this section be insufficient to pay the total tax of such taxpayer, such unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(j) Notwithstanding subsection (b), an employer of a domestic service employee that enters into an agreement with the domestic service employee to withhold federal income tax under Section 3402 of the Internal Revenue Code may withhold Indiana income tax on the domestic service employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(k) To the extent allowed by Section 1137 of the Social Security Act, an employer of a domestic service employee may report and remit state unemployment insurance contributions on the employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(l) A person who knowingly fails to remit trust fund money as set forth in this section commits a Level 6 felony.

SECTION 18. IC 6-3-4-12, AS AMENDED BY P.L.293-2013(ts), SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 12. (a) Every partnership shall, at the time that the partnership pays or credits amounts to any of its nonresident partners on account of their distributive shares of partnership income, for a taxable year of the partnership, deduct and retain therefrom the amount prescribed in the withholding instructions referred to in section 8 of this chapter. Such partnership so paying or crediting any nonresident partner:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and retained under this section and shall not be liable to such partner for the amount deducted from such payment or credit and paid over in compliance or intended compliance with this section; and

(2) shall make return of and payment to the department monthly whenever the amount of tax due under IC 6-3 and IC 6-3.5 exceeds an aggregate amount of fifty dollars ($50) per month with such payment due on the thirtieth day of the following month, unless an earlier date is specified by section 8.1 of this chapter.

Where the aggregate amount due under IC 6-3 and IC 6-3.5 does not exceed fifty dollars ($50) per month, then such partnership shall make return and payment to the department quarterly, on such dates and in such manner as the department shall prescribe, of the amount of tax which, under IC 6-3 and IC 6-3.5, it is required to withhold.

(b) Every partnership shall, at the time of each payment made by it to the department pursuant to this section, deliver to the department a return upon such form as shall be prescribed by the department showing the total amounts paid or credited to its nonresident partners, the amount deducted therefrom in accordance with the provisions of this section, and such other information as the department may require. Every partnership making the deduction and retention provided in this section shall furnish to its nonresident partners annually, but not later than the fifteenth day of the third month after the end of its taxable year, a record of the amount of tax deducted and retained from such partners on forms to be prescribed by the department.

(c) All money deducted and retained by the partnership, as provided in this section, shall immediately upon such deduction be the money of the state of Indiana and every partnership which deducts and retains any amount of money under the provisions of IC 6-3 shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in IC 6-3. Any partnership may be required to post a surety bond in such sum as the department shall determine to be appropriate to protect the state of Indiana with respect to money deducted and retained pursuant to this section.

(d) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to partnerships subject to the provisions of this section, and for these purposes any amount deducted, or required to be deducted and remitted to the department under this section, shall be considered to be the tax of the partnership, and with respect to such amount it shall be considered the taxpayer.

(e) Amounts deducted from payments or credits to a nonresident partner during any taxable year of the partnership in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such nonresident partner for the nonresident partner's taxable year within or with which the partnership's taxable year ends. A return made by the partnership under subsection (b) shall be accepted by the department as evidence in favor of the nonresident partner of the amount so deducted for the nonresident partner's distributive share.

(f) This section shall in no way relieve any nonresident partner from the nonresident partner's obligations of filing a return or returns at the time required under IC 6-3 or IC 6-3.5, and any unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(g) Instead of the reporting periods required under subsection (a), the department may permit a partnership to file one (1)

return and payment each year if the partnership pays or credits amounts to its nonresident partners only one (1) time each year. The return and payment are due on or before the fifteenth day of the fourth month after the end of the year. **However, if a partnership is permitted an extension to file its income tax return under IC 6-8.1-6-1, the return and payment due under this subsection shall be allowed the same treatment as an extended income tax return with respect to due dates, interest, and penalties under IC 6-8.1-6-1.**

(h) A partnership shall file a composite adjusted gross income tax return on behalf of all nonresident ~~individual~~ partners. The composite return must include each nonresident ~~individual~~ partner regardless of whether or not the nonresident ~~individual~~ partner has other Indiana source income.

(i) If a partnership does not include all nonresident partners in the composite return, the partnership is subject to the penalty imposed under IC 6-8.1-10-2.1(j).

(j) For taxable years beginning after December 31, 2013, the department may not impose a late payment penalty on a partnership for the failure to file a return, pay the full amount of the tax shown on the partnership's return, or pay the deficiency of the withholding taxes due under this section if the partnership pays the department **before the fifteenth day of the fourth month after the end of the partnership's taxable year** at least:

(1) eighty percent (80%) of the withholding tax due for the current year; or

(2) one hundred percent (100%) of the withholding tax due for the preceding year. ~~before the fifteenth day of the fourth month after the end of the partnership's taxable year.~~

(k) Notwithstanding subsection (a) or (h), a pass through entity is not required to withhold tax or file a composite adjusted gross income tax return for a nonresident member if the entity:

(1) is a publicly traded partnership as defined by Section 7704(b) of the Internal Revenue Code;

(2) meets the exception for partnerships under Section 7704(c) of the Internal Revenue Code; and

(3) has agreed to file an annual information return reporting the name, address, taxpayer identification number, and other information requested by the department of each unit holder.

The department may issue written guidance explaining circumstances under which limited partnerships or limited liability companies owned by a publicly traded partnership may be excluded from the withholding requirements of this section.

(l) Notwithstanding subsection (j), a partnership is subject to a late payment penalty for the failure to file a return, pay the full amount of the tax shown on the partnership's return, or pay the deficiency of the withholding taxes due under this section for any amounts of withholding tax, including any interest under IC 6-8.1-10-1, reported or paid after the due date of the return, as adjusted by any extension under IC 6-8.1-6-1.

(m) For purposes of this section, a "nonresident partner" is:

(1) an individual who does not reside in Indiana;

(2) a trust that does not reside in Indiana;

(3) an estate that does not reside in Indiana;

(4) a partnership not domiciled in Indiana;

(5) a C corporation not domiciled in Indiana; or

(6) an S corporation not domiciled in Indiana.

SECTION 19. IC 6-3-4-13, AS AMENDED BY P.L.293-2013(ts), SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 13. (a) Every corporation which is exempt from tax under IC 6-3 pursuant to IC 6-3-2-2.8(2) shall, at the time that it pays or credits amounts to any of its nonresident shareholders as dividends or as their share of the corporation's undistributed taxable income, withhold the amount prescribed by the department. Such corporation so paying or crediting any nonresident shareholder:

(1) shall be liable to the state of Indiana for the payment of the tax required to be withheld under this section and shall not be liable to such shareholder for the amount withheld and paid over in compliance or intended compliance with this section; and

(2) when the aggregate amount due under IC 6-3 and IC 6-3.5 exceeds one hundred fifty dollars ($150) per quarter, then such corporation shall make return and payment to the department quarterly, on such dates and in such manner as the department shall prescribe, of the amount of tax which, under IC 6-3 and IC 6-3.5, it is required to withhold.

(b) Every corporation shall, at the time of each payment made by it to the department pursuant to this section, deliver to the department a return upon such form as shall be prescribed by the department showing the total amounts paid or credited to its nonresident shareholders, the amount withheld in accordance with the provisions of this section, and such other information as the department may require. Every corporation withholding as provided in this section shall furnish to its nonresident shareholders annually, but not later than the fifteenth day of the third month after the end of its taxable year, a record of the amount of tax withheld on behalf of such shareholders on forms to be prescribed by the department.

(c) All money withheld by a corporation, pursuant to this section, shall immediately upon being withheld be the money of the state of Indiana and every corporation which withholds any amount of money under the provisions of this section shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in IC 6-3. Any corporation may be required to post a surety bond in such sum as the department shall determine to be appropriate to protect the state of Indiana with respect to money withheld pursuant to this section.

(d) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to corporations subject to the provisions of this section, and for these purposes any amount withheld, or required to be withheld and remitted to the department under this section, shall be considered to be the tax of the corporation, and with respect to such amount it shall be considered the taxpayer.

(e) Amounts withheld from payments or credits to a nonresident shareholder during any taxable year of the corporation in accordance with the provisions of this section shall be considered to be a part payment of the tax imposed on such nonresident shareholder for the shareholder's taxable year within or with which the corporation's taxable year ends. A return made by the corporation under subsection (b) shall be accepted by the department as evidence in favor of the nonresident shareholder of the amount so withheld from the shareholder's distributive share.

(f) This section shall in no way relieve any nonresident shareholder from the shareholder's obligation of filing a return or returns at the time required under IC 6-3 or IC 6-3.5, and any unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(g) Instead of the reporting periods required under subsection (a), the department may permit a corporation to file one (1) return and payment each year if the corporation pays or credits amounts to its nonresident shareholders only one (1) time each year. The withholding return and payment are due on or before the fifteenth day of the fourth month after the end of the taxable year of the corporation. **However, if a corporation is permitted an extension to file its income tax return under IC 6-8.1-6-1, the return and payment due under this subsection shall be allowed the same treatment as the extended income tax return with respect to the due dates, interest, and penalties under IC 6-8.1-6-1.**

(h) If a distribution will be made with property other than money or a gain is realized without the payment of money, the corporation shall not release the property or credit the gain until it has funds sufficient to enable it to pay the tax required to be withheld under this section. If necessary, the corporation shall obtain such funds from the shareholders.

(i) If a corporation fails to withhold and pay any amount of tax required to be withheld under this section and thereafter the tax is paid by the shareholders, such amount of tax as paid by the shareholders shall not be collected from the corporation but it shall not be relieved from liability for interest or penalty otherwise due in respect to such failure to withhold under IC 6-8.1-10.

(j) A corporation described in subsection (a) shall file a composite adjusted gross income tax return on behalf of all nonresident shareholders. The composite return must include each nonresident ~~individual~~ shareholder regardless of whether or not the nonresident ~~individual~~ shareholder has other Indiana source income.

(k) If a corporation described in subsection (a) does not include all nonresident shareholders in the composite return, the corporation is subject to the penalty imposed under IC 6-8.1-10-2.1(j).

(l) For taxable years beginning after December 31, 2013, the department may not impose a late payment penalty on a corporation for the failure to file a return, pay the full amount of the tax shown on the corporation's return, or pay the deficiency of the withholding taxes due under this section if the corporation pays the department **before the fifteenth day of the fourth month after the end of the partnership's taxable year** at least:

(1) eighty percent (80%) of the withholding tax due for the current year; or

(2) one hundred percent (100%) of the withholding tax due for the preceding year. ~~before the fifteenth day of the fourth month after the end of the corporation's taxable year.~~

(m) Notwithstanding subsection (l), a corporation is subject to a late payment penalty for the failure to file a return, pay the full amount of the tax shown on the corporation's return, or pay the deficiency of the withholding taxes due under this section for any amounts of withholding tax, including any interest under IC 6-8.1-10-1, reported or paid after the due date of the return, as adjusted by any extension under IC 6-8.1-6-1.

(n) For purposes of this section, a "nonresident shareholder" is:

(1) an individual who does not reside in Indiana;

(2) a trust that does not reside in Indiana; or

(3) an estate that does not reside in Indiana.

SECTION 20. IC 6-3-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 15. (a) A trust or estate shall, at the time that it distributes income (except income attributable to interest or dividends) to a nonresident beneficiary, deduct and retain therefrom the amount prescribed in the withholding instructions referred to in section 8 of this chapter. The trust or estate so distributing income to a nonresident beneficiary:

(1) is liable to this state for the tax which it is required to deduct and retain under this section and is not liable to the beneficiary for the amount deducted from the distribution and paid to the department in compliance, or intended compliance, with this section; and

(2) shall pay the amount deducted to the department before the thirtieth day of the month following the distribution, unless an earlier date is specified by section 8.1 of this chapter.

(b) A trust or estate shall, at the time that it makes a payment to the department under this section, deliver to the department a return which shows the total amounts distributed to the trust's or estate's nonresident beneficiaries, the amount deducted from the distributions under this section, and any other information required by the department. The trust or estate shall file the return on the form prescribed by the department. A trust or estate which makes the deduction and retention required by this section shall furnish to its nonresident beneficiaries annually, but not later than thirty (30) days after the end of the trust's or estate's taxable year, a record of the amount of tax deducted and retained from the beneficiaries. The trust or estate shall furnish the information on the form prescribed by the department.

(c) The money deducted and retained by a trust or estate under this section is money of this state. Every trust or estate which deducts and retains any money under this section shall hold the money in trust for this state until it pays the money to the department in the manner and at the time provided in this section. The department may require a trust or estate to post a surety bond to protect this state with respect to money deducted and retained by the trust or estate under this section. The department shall determine the amount of the surety bond.

(d) The provisions of IC 6-8.1 relating to penalties or to additions to tax in case of a delinquency apply to trusts and estates which are subject to this section. For purposes of this subsection, any amount deducted, or required to be deducted and remitted to the department, under this section is considered the tax of the trust or estate, and with respect to that amount, it is considered the taxpayer.

(e) Amounts deducted from distributions to nonresident beneficiaries under this section during a taxable year of the trust or estate are considered a partial payment of the tax imposed on the nonresident beneficiary for his taxable year within or with which the trust's or estate's taxable year ends. The department shall accept a return made by the trust or estate under subsection (b) as evidence of the amount of tax deducted from the income distributed to a nonresident beneficiary.

(f) This section does not relieve a nonresident beneficiary of his duty to file a return at the time required under IC 6-3. The nonresident beneficiary shall pay any unpaid tax at the time prescribed by section 5 of this chapter.

(g) A trust or estate shall file a composite adjusted gross income tax return on behalf of all nonresident beneficiaries. The composite return must include each nonresident beneficiary regardless of whether the nonresident beneficiary has other Indiana source income.

(h) For purposes of this section, a "nonresident beneficiary" is:

(1) an individual who does not reside in Indiana;

(2) a trust that does not reside in Indiana;

(3) an estate that does not reside in Indiana;

(4) a partnership that is not domiciled in Indiana;

(5) a C corporation that is not domiciled in Indiana; or

(6) an S corporation that is not domiciled in Indiana.

(i) If a trust or estate is permitted an extension to file its income tax return under IC 6-8.1-6-1, then the return and payment due under this subsection shall be allowed the same treatment as the extended income tax return with respect to due dates, interest, and penalties under IC 6-8.1-6-1.

SECTION 21. IC 6-3.1-4-1, AS AMENDED BY P.L.193-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 1. As used in this chapter:

"Base amount" means base amount (as defined in Section 41(c) of the Internal Revenue Code) ~~as in effect on January 1, 2001),~~ modified by considering only Indiana qualified research expenses and gross receipts attributable to Indiana in the calculation of the taxpayer's:

(1) fixed base percentage; and

(2) average annual gross receipts.

"Indiana qualified research expense" means qualified research expense that is incurred for research conducted in Indiana.

"Qualified research expense" means qualified research expense (as defined in Section 41(b) of the Internal Revenue Code). ~~as in effect on January 1, 2001).~~

"Pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

"Research expense tax credit" means a credit provided under this chapter against any tax otherwise due and payable under IC 6-3.

"Taxpayer" means an individual, a corporation, a limited liability company, a limited liability partnership, a trust, or a partnership that has any tax liability under IC 6-3 (adjusted gross income tax).

SECTION 22. IC 6-3.1-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 4. The provisions of Section 41 of the Internal Revenue Code ~~as in effect on January 1, 2001,~~ and the regulations promulgated in respect to those provisions ~~and in effect on January 1, 2001,~~ are applicable to the interpretation and administration by the department of the credit provided by this chapter, including the allocation and pass through of the credit to various taxpayers and the transitional rules for determination of the base period.

SECTION 23. IC 6-3.1-21-6, AS AMENDED BY P.L.229-2011, SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) Except as provided by subsection (b), an individual who is eligible for an earned income tax credit under Section 32 of the Internal Revenue Code as it existed before being amended by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312), is eligible for a credit under this chapter equal to nine percent (9%) of the amount of the federal earned income tax credit that the individual:

(1) is eligible to receive in the taxable year; and

(2) claimed for the taxable year;

under Section 32 of the Internal Revenue Code as it existed before being amended by the Tax Relief. Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312).

(b) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the amount of the credit is equal to the product of:

(1) the amount determined under subsection (a); multiplied by

(2) the quotient of the taxpayer's income taxable in Indiana divided by the taxpayer's total income.

(c) If the credit amount exceeds the taxpayer's adjusted gross income tax liability for the taxable year, the excess ~~less any advance payments of the credit made by the taxpayer's employer under IC 6-3-4-8 that reduce the excess,~~ shall be refunded to the taxpayer.

SECTION 24. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. To obtain a credit under this chapter, a taxpayer must claim the ~~advance payment or~~ credit in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 25. IC 6-3.5-1.1-2, AS AMENDED BY P.L.261-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The county council of any county in which the county option income tax will not be in effect on December 1 of a year under an ordinance adopted during a previous calendar year may impose the county adjusted gross income tax on the adjusted gross income of county taxpayers of its county.

(b) Except as provided in section 2.3, 2.5, 2.7, 2.8, 2.9, 3.3, **3.4,** 3.5, 3.6, **3.7,** 24, 25, or 26 of this chapter, the county adjusted gross income tax may be imposed at a rate of one-half of one percent (0.5%), three-fourths of one percent (0.75%), or one percent (1%) on the adjusted gross income of resident county taxpayers of the county. Any county imposing the county adjusted gross income tax must impose the tax on the nonresident county taxpayers at a rate of one-fourth of one percent (0.25%) on their adjusted gross income. If the county council elects to decrease the county adjusted gross income tax, the county council may decrease the county adjusted gross income tax rate in increments of one-tenth of one percent (0.1%).

(c) To impose the county adjusted gross income tax, the county council must adopt an ordinance. The ordinance must substantially state the following:

"The _____ County Council imposes the county adjusted gross income tax on the county taxpayers of _____ County. The county adjusted gross income tax is imposed at a rate of _____ percent (_____%) on the resident county taxpayers of the county and one-fourth of one percent (0.25%) on the nonresident county taxpayers of the county.".

(d) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) If the county adjusted gross income tax had previously been adopted by a county under IC 6-3.5-1 (before its repeal on March 15, 1983) and that tax was in effect at the time of the enactment of this chapter, then the county adjusted gross income tax continues in that county at the rates in effect at the time of enactment until the rates are modified or the tax is rescinded in the manner prescribed by this chapter. If a county's adjusted gross income tax is continued under this subsection, then the tax shall be treated as if it had been imposed under this chapter and is subject to rescission or reduction as authorized in this chapter.

SECTION 26. IC 6-3.5-1.1-2.8, AS AMENDED BY P.L.119-2012, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.8. (a) This section applies to the following counties:

(1) Elkhart County.

(2) Marshall County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, or equip:

(A) jail facilities;

(B) juvenile court, detention, and probation facilities;

(C) other criminal justice facilities; and

(D) related buildings and parking facilities;

located in the county, including costs related to the demolition of existing buildings and the acquisition of land; and

(2) repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to operate or maintain:

(1) jail facilities;

(2) juvenile court, detention, and probation facilities;

(3) other criminal justice facilities; and

(4) related buildings and parking facilities;

located in the county. A county council of a county named in subsection (a)(1) or (a)(2) may make a determination under both this subsection and subsection (b).

(d) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);
(2) two-tenths percent (0.2%); or
(3) twenty-five hundredths percent (0.25%);

on the adjusted gross income of county taxpayers if the county council makes a finding and determination set forth in subsection (b) or (c). The tax rate may not be imposed at a rate greater than is necessary to carry out the purposes described in subsections (b) and (c), as applicable.

(e) ~~This subsection applies only to Elkhart County.~~ If the county council imposes the tax under this section to pay for the purposes described in both subsections (b) and (c), when:

(1) the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed; and
(2) all bonds issued (including any refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid;

the county council shall, subject to subsection (d), establish a tax rate under this section by ordinance such that the revenue from the tax does not exceed the costs of operating and maintaining the jail facilities referred to in subsection (b)(1)(A).

(f) The tax imposed under this section may be imposed only until the last of the following dates:

(1) The date on which the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed.
(2) The date on which the last of any bonds issued (including any refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid.
(3) ~~If the county imposing the tax under this section is Elkhart County,~~ The date on which an ordinance adopted under subsection (c) is rescinded.

(g) The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(h) The county treasurer shall establish a criminal justice facilities revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the criminal justice facilities revenue fund before making a certified distribution under section 11 of this chapter.

(i) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;
(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and
(3) may be pledged to the repayment of bonds issued or leases entered into for any or all the purposes described in subsection (b).

(j) Notwithstanding any other law, money remaining in the criminal justice facilities revenue fund established under subsection (h) after the tax imposed by this section is terminated under subsection (f) shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

SECTION 27. IC 6-3.5-1.1-3.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.4. (a) This section applies only to Tipton County.**

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance the:
(A) construction, acquisition, and equipping of the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and
(B) improvement, renovation, remodeling, repair, and equipping of the courthouse to address security concerns and mitigate excess moisture in the courthouse; and
(2) repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);
(2) two-tenths percent (0.2%);
(3) twenty-five hundredths percent (0.25%);
(4) three-tenths percent (0.3%);
(5) thirty-five hundredths percent (0.35%); or
(6) four-tenths percent (0.4%);

on the adjusted gross income of county taxpayers if the county council makes the determination set forth in subsection (b). The tax imposed under this section may be imposed only until the later of the date on which the financing for constructing, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b) is completed or the date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b) are fully paid. The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(d) If the county council makes a determination under subsection (b), the county council may adopt a tax rate under subsection (c). The tax rate may not be imposed at a rate greater than is necessary to pay for the purposes described in subsection (b).

(e) The county treasurer shall establish a county facilities revenue fund to be used only for the purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county facilities revenue fund before making a certified distribution under sections 10 and 11 of this chapter.

(f) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;
(2) may not be considered by the department of local government finance in determining the county's maximum permissible ad valorem property tax levy limit under IC 6-1.1-18.5; and
(3) may be pledged to the repayment of bonds issued or leases entered into for the purposes described in subsection (b).

(g) Tipton County possesses unique governmental and economic development challenges and opportunities due to:

(1) the county's heavy agricultural base;
(2) deficiencies in the current county jail, including:
(A) overcrowding;
(B) lack of program and support space for efficient jail operations;
(C) inadequate line of sight supervision of inmates, due to current jail configuration;
(D) lack of adequate housing for an increasing female inmate population and inmates with special needs;
(E) lack of adequate administrative space; and
(F) increasing maintenance demands and costs resulting from having aging facilities;
(3) the presence of a large industrial employer that

offers the opportunity to expand the income tax base; and

(4) the presence of the historic Tipton County jail and sheriff's home, listed on the National Register of Historic Places.

The use of county adjusted gross income tax revenue as provided in this section is necessary for the county to provide adequate jail facilities in the county and to maintain low property tax rates essential to economic development. The use of county adjusted gross income tax revenues as provided in this section to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b), rather than the use of property taxes, promotes those purposes.

(h) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after:

(1) the redemption of bonds issued; or

(2) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

SECTION 28. IC 6-3.5-1.1-3.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.7. (a) This section applies to Rush County.**

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to do the following:

(1) Finance, construct, acquire, improve, renovate, and equip the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(2) Repay bonds issued or leases entered into for the purposes described in subdivision (1).

(3) Operate and maintain the facilities described in subdivision (1).

(c) In addition to the rates permitted by section 2 of this chapter, if the county council makes the determination set forth in subsection (b), the county council may adopt an ordinance to impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%);

(3) twenty-five hundredths percent (0.25%);

(4) three-tenths percent (0.3%);

(5) thirty-five hundredths percent (0.35%);

(6) four-tenths percent (0.4%);

(7) forty-five hundredths percent (0.45%);

(8) five-tenths percent (0.5%);

(9) fifty-five hundredths percent (0.55%); or

(10) six-tenths percent (0.6%);

on the adjusted gross income of county taxpayers that is in addition to the rates permitted by section 2 of this chapter. The tax rate may not be greater than the rate necessary to pay for the purposes described in subsection (b).

(d) The tax rate used to pay for the purposes described in subsection (b)(1) and (b)(2) may be imposed only until the latest of the following dates:

(1) The date on which the financing, construction, acquisition, improvement, and equipping of the facilities as described in subsection (b) are completed.

(2) The date on which the last of any bonds issued (including refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b) are fully paid.

(3) The date on which an ordinance adopted under subsection (c) is rescinded.

(e) If the county council imposes a tax under this section to pay for the purposes described in subsection (b)(1) and (b)(2), in the year before the facilities are ready for occupancy, the county council shall by ordinance establish a tax rate at a rate permitted under subsection (c) so that the revenue from the tax rate established under this subsection does not exceed the costs of operating and maintaining the facilities described in subsection (b). The tax rate under this subsection may be imposed beginning in the year following the year the ordinance is adopted and until the date on which the ordinance adopted under this subsection is rescinded.

(f) The term of a bond issued (including any refunding bond) or a lease entered into under subsection (b) may not exceed twenty-five (25) years.

(g) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under sections 10 and 11 of this chapter.

(h) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for the purposes described in subsection (b).

(i) Rush County possesses unique governmental and economic development challenges and opportunities due to the following:

(1) Deficiencies in the current county jail, including the following:

(A) Aging facilities that have not been significantly improved or renovated since the original construction.

(B) Lack of recreation and medical facilities.

(C) Inadequate line of sight supervision of inmates due to the configuration of the aging jail.

(D) Lack of adequate housing for an increasing female inmate population and for inmates with special needs.

(E) Lack of adequate administrative space.

(F) Increasing maintenance demands and costs resulting from having aging facilities.

(2) A limited industrial and commercial assessed valuation in the county.

The use of county adjusted gross income tax revenues as provided in this chapter is necessary for the county to provide adequate jail capacity in the county and to maintain low property tax rates essential to economic development. The use of county adjusted gross income tax revenues as provided in this chapter to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b), rather than the use of property taxes, promotes those purposes.

(j) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after the termination of the tax under this section shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

SECTION 29. IC 6-3.5-1.1-10, AS AMENDED BY P.L.137-2012, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its

account established under section 8 of this chapter to the appropriate county treasurer on the first regular business day of each month of that calendar year.

(b) Except for:

(1) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.3 of this chapter;

(2) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5 of this chapter;

(3) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(4) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(5) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

(6) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter; ~~or~~

(7) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, remodeling, equipping, operating, or maintaining buildings and facilities;

(B) debt service; or

(C) lease rentals;

under section 3.4 of this chapter;

(8) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 3.7 of this chapter; or

~~(7)~~ **(9)** revenue attributable to a tax rate under section 24, 25, or 26 of this chapter;

distributions made to a county treasurer under subsection (a) shall be treated as though they were property taxes that were due and payable during that same calendar year. Except as provided by sections 24, 25, and 26 of this chapter, the certified distribution shall be distributed and used by the taxing units and school corporations as provided in sections 11 through 15 of this chapter.

(c) All distributions from an account established under section 8 of this chapter shall be made by warrants issued by the auditor of the state to the treasurer of the state ordering the appropriate payments.

SECTION 30. IC 6-3.5-1.1-11, AS AMENDED BY P.L.77-2011, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except for:

(1) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.3 of this chapter;

(2) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5 of this chapter;

(3) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(4) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(5) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

(6) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter; ~~or~~

(7) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, remodeling, equipping, operating, or maintaining buildings and facilities;

(B) debt service; or

(C) lease rentals;

under section 3.4 of this chapter;

(8) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 3.7 of this chapter; or

~~(7)~~ **(9)** revenue attributable to a tax rate under section 24, 25, or 26 of this chapter;

the certified distribution received by a county treasurer shall, in the manner prescribed in this section, be allocated, distributed, and used by the civil taxing units and school corporations of the county as certified shares and property tax replacement credits.

(b) Before August 10 of each calendar year, each county auditor shall determine the part of the certified distribution for the next succeeding calendar year that will be allocated as property tax replacement credits and the part that will be allocated as certified shares. The percentage of a certified distribution that will be allocated as property tax replacement credits or as certified shares depends upon the county adjusted gross income tax rate for resident county taxpayers in effect on December 1 of the calendar year that precedes the year in which the certified distribution will be received by two (2) years. The percentages are set forth in the following table:

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COUNTY ADJUSTED GROSS INCOME TAX RATE	PROPERTY TAX REPLACEMENT CREDITS	CERTIFIED SHARES
0.5%	50%	50%
0.75%	33 1/3%	66 2/3%
1%	25%	75%

(c) The part of a certified distribution that constitutes property tax replacement credits shall be distributed as provided under sections 12, 13, and 14 of this chapter.

(d) The part of a certified distribution that constitutes certified shares shall be distributed as provided by section 15 of this chapter.

SECTION 31. IC 6-3.5-7-5, AS AMENDED BY SEA 374-2015, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (c), the county economic

development income tax may be imposed on the adjusted gross income of county taxpayers. Except as provided in section 26(m) of this chapter, the entity that may impose the tax is:

(1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on October 1 of the year the county economic development income tax is imposed;

(2) the county council if the county adjusted gross income tax is in effect on October 1 of the year the county economic development tax is imposed; or

(3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in this section and section 28 of this chapter, the county economic development income tax may be imposed at a rate of:

(1) one-tenth percent (0.1%);

(2) two-tenths percent (0.2%);

(3) twenty-five hundredths percent (0.25%);

(4) three-tenths percent (0.3%);

(5) thirty-five hundredths percent (0.35%);

(6) four-tenths percent (0.4%);

(7) forty-five hundredths percent (0.45%); or

(8) five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in this section, the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in this section, the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose, increase, decrease, or rescind the county economic development income tax, the appropriate body must adopt an ordinance.

(e) The ordinance to impose the tax must substantially state the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____%) on the county taxpayers of the county.".

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this chapter and shall, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(g) For Jackson County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(h) For Pulaski County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

(i) For Wayne County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(j) This subsection applies to Randolph County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);

if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter.

(k) For Daviess County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(l) For:

(1) Elkhart County; or

(2) Marshall County;

except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(m) For Union County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(n) This subsection applies to Knox County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and:

(A) the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%); or

(B) the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 24 of this chapter.

(o) This subsection applies to a county in which an adopting entity approves the use of the certified distribution for property tax relief under section 26(c) and 26(e) of this chapter or to a county in which the county fiscal body approves the use of the certified distribution to fund a public transportation project under section 26(m) of this chapter. In addition:

(1) the county economic development income tax may be imposed at a rate that exceeds by not more than twenty-five hundredths percent (0.25%) the maximum rate that would otherwise apply under this section; and

(2) the:

(A) county economic development income tax; and

(B) county option income tax or county adjusted gross income tax;

may be imposed at combined rates that exceed by not more than twenty-five hundredths percent (0.25%) the maximum combined rates that would otherwise apply under this section.

Except as provided in section 5.5 of this chapter, the additional rate imposed under this subsection may not exceed the amount necessary to mitigate the increased ad valorem property taxes on homesteads (as defined in IC 6-1.1-20.9-1 (repealed) before January 1, 2009, or IC 6-1.1-12-37 after December 31, 2008) or

residential property (as defined in section 26 of this chapter), as appropriate under the ordinance adopted by the adopting body in the county, resulting from the deduction of the assessed value of inventory in the county under IC 6-1.1-12-41 (repealed **effective January 1, 2016)** or IC 6-1.1-12-42 or from the exclusion in 2008 of inventory from the definition of personal property in IC 6-1.1-1-11.

(p) If the county economic development income tax is imposed as authorized under subsection (o) at a rate that exceeds the maximum rate that would otherwise apply under this section, the certified distribution must be used for a purpose provided in section 26 of this chapter to the extent that the certified distribution results from the difference between:

(1) the actual county economic development tax rate; and

(2) the maximum rate that would otherwise apply under this section.

(q) This subsection applies only to a county described in section 27 of this chapter. Except as provided in subsection (o), in addition to the rates permitted by subsection (b), the:

(1) county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 27 of this chapter.

(r) Except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%) if the county has imposed the county adjusted gross income tax under IC 6-3.5-1.1-3.3.

(s) This subsection applies to Howard County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(t) This subsection applies to Scott County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(u) This subsection applies to Jasper County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(v) An additional county economic development income tax rate imposed under section 28 of this chapter may not be considered in calculating any limit under this section on the sum of:

(1) the county economic development income tax rate plus the county adjusted gross income tax rate; or

(2) the county economic development tax rate plus the county option income tax rate.

(w) The income tax rate limits imposed by subsection (c) or (x) or any other provision of this chapter do not apply to:

(1) a county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26; or

(2) a county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

For purposes of computing the maximum combined income tax rate under subsection (c) or (x) or any other provision of this chapter that may be imposed in a county under IC 6-3.5-1.1, IC 6-3.5-6, and this chapter, a county's county adjusted gross income tax rate or county option income tax rate for a particular year does not include the county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 or the county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

(x) This subsection applies to Monroe County. Except as provided in subsection (o), if an ordinance is adopted under IC 6-3.5-6-33, the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(y) This subsection applies to Perry County. Except as provided in subsection (o), if an ordinance is adopted under section 27.5 of this chapter, the county economic development income tax rate plus the county option income tax rate that is in effect on January 1 of a year may not exceed one and seventy-five hundredths percent (1.75%).

(z) This subsection applies to Starke County. Except as provided in subsection (o), if an ordinance is adopted under section 27.6 of this chapter, the county economic development income tax rate plus the county adjusted gross income tax rate that is in effect on January 1 of a year may not exceed two percent (2%).

(aa) This subsection applies to Tipton County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and sixty-five hundredths percent (1.65%).

(bb) This subsection applies to Rush County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and eighty-five hundredths percent (1.85%).

(cc) This subsection applies to Greene County. The county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). However, if the county economic development tax rate plus the county option income tax rate in effect exceed one percent (1%), the maximum rate that may be imposed in the county for public safety purposes under IC 6-3.5-1.1-25 or IC 6-3.5-6-31 is equal to the difference between:

(1) twenty-five hundredths of one percent (0.25%); minus

(2) the amount by which the county economic development tax rate plus the county option income tax rate in effect exceeds one percent (1%).

SECTION 32. IC 6-5.5-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) Each taxpayer shall notify the department in writing of any alteration or modification of a federal income tax return filed with the United States Internal Revenue Service for a taxable year that begins after December 31, 1988, including any modification or alteration in the amount of tax, regardless of whether the modification or assessment results from an assessment.

(b) The taxpayer shall file the notice in the form required by the department within one hundred ~~twenty (120)~~ **eighty (180)** days after the alteration or modification is made. ~~by the taxpayer or finally determined, whichever occurs first.~~

(c) For purposes of this section, a modification or alteration occurs on the date on which a:

(1) taxpayer files an amended federal income tax return;

(2) final determination is made concerning an assessment of deficiency;

(3) final determination is made concerning a claim for refund;

(4) taxpayer waives the restrictions on assessment and collection of all, or any part, of an underpayment of federal income tax by signing a federal Form 870, or any other Form prescribed by the Internal Revenue Service for that purpose. For purposes of this subdivision:

(A) a final determination does not occur with respect to any part of the underpayment that is not covered by the waiver; and

(B) if the signature of an authorized representative of the Internal Revenue Service is required to execute a waiver, the date of the final determination is the date of signing by the authorized representative of the Internal Revenue Service;

(5) taxpayer enters into a closing agreement with the Internal Revenue Service concerning the taxpayer's tax liability under Section 7121 of the Internal Revenue Code that is a final determination. The date the taxpayer enters into a closing agreement under this subdivision is the date the closing agreement is signed by an authorized representative of the Internal Revenue Service; or

(6) modification or alteration in an amount of tax is otherwise made that is a final determination;

for a taxable year, regardless of whether a modification or alteration results in an underpayment or overpayment of tax.

(d) For purposes of subsection (c)(2) through (c)(6), a final determination means an action or decision by a taxpayer, the Internal Revenue Service (including the Appeals Division), the United States Tax Court, or any other United States federal court concerning any disputed tax issue that:

(1) is final and conclusive; and

(2) cannot be reopened or appealed by a taxpayer or the Internal Revenue Service as a matter of law.

(e) If the federal modification or alternation results in a change in the taxpayer's federal adjusted gross income or income within Indiana, the taxpayer shall file an amended Indiana financial institutions tax return (as required by the department) and a copy of the taxpayer's amended federal income tax return with the department not later than the date that is one hundred eighty (180) days after the modification or alteration is made.

~~(c)~~ **(f)** The taxpayer shall pay an additional tax or penalty due under this article upon notice or demand from the department.

SECTION 33. IC 6-8.1-3-7.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7.1. (a) "Fiscal officer" has the meaning set forth in IC 36-1-2-7.

(b) The department shall enter into an agreement with the fiscal officer of an entity that has adopted an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9 to furnish the fiscal officer annually with:

(1) the name of each business collecting the taxes listed in this subsection; and

(2) the amount of money collected from each business.

(c) The agreement must provide that the department must provide the information in an electronic format that the fiscal officer can use, as well as a paper copy.

(d) The agreement must include a provision that, unless in accordance with a judicial order, the fiscal officer, employees of the fiscal officer, former employees of the fiscal officer, counsel of the fiscal officer, agents of the fiscal officer, or any other person may not divulge the names of the businesses, the amount of taxes paid by the businesses, or any other information disclosed to the fiscal officer by the department.

(e) The department shall also enter into an agreement with the fiscal officer of a capital improvement board of managers:

(1) created under IC 36-10-8 or IC 36-10-9; and

(2) that is responsible for expenditure of funds from:

(A) an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9;

(B) the supplemental auto rental excise tax under IC 6-6-9.7; or

(C) the state gross retail taxes allocated to a professional sports development area fund, a sports and convention facilities operating fund, or other fund under IC 36-7-31 or IC 36-7-31.3;

to furnish the fiscal officer annually with the name of each business collecting the taxes listed in this subsection, and the amount of money collected from each business. An agreement with a fiscal officer under this subsection must include a nondisclosure provision the same as is required for a fiscal officer under subsection (d).

SECTION 34. IC 6-8.1-4-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 5. (a) The department may deny an application under section 4(c) of this chapter if the applicant has had a registration revoked under section 4(f) of this chapter or any other applicable statute.**

(b) The department may deny an application described in section 4(c) of this chapter if the applicant's business is operated, managed, or otherwise controlled by or affiliated with a person, including the applicant, a relative, family member, responsible officer, or shareholder, whom the department has determined is covered by any of the following:

(1) Failed to file all tax returns or information reports with the department required under IC 6, IC 8, or IC 9.

(2) Failed to pay all taxes, penalties, and interest required to the department under IC 6, IC 8, or IC 9.

(3) Failed to pay any registration or license plate fees for vehicles that were at any point owned or operated by the person or for which the person was responsible for payment.

(4) Failed to return a license plate described in subdivision (3) to the department.

(5) Has an unsatisfactory safety rating under 49 CFR Part 385.

(6) Has multiple violations of IC 9 or a rule adopted under IC 9.

(c) The department may deny any application described in section 4(c) of this chapter if the applicant is a motor carrier whose business is operated, managed, or otherwise controlled by or affiliated with a person, including an owner, relative, family member, responsible officer, or shareholder, whom the department has determined is covered by any item listed in subsection (b).

(d) If the applicant has altered a cab card or permit, the department shall bill the carrier automatically for the violation.

SECTION 35. IC 6-8.1-5-1, AS AMENDED BY P.L.172-2011, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) As used in this section, "letter of findings" includes a supplemental letter of findings.

(b) If the department reasonably believes that a person has not reported the proper amount of tax due, the department shall make a proposed assessment of the amount of the unpaid tax on the basis of the best information available to the department. The amount of the assessment is considered a tax payment not made by the due date and is subject to IC 6-8.1-10 concerning the imposition of penalties and interest. The department shall send the person a notice of the proposed assessment through the United States mail.

(c) ~~If the person has a surety bond guaranteeing payment of the tax for which the proposed assessment is made, the department shall furnish a copy of the proposed assessment to the surety.~~ The notice of proposed assessment is prima facie evidence that the department's claim for the unpaid tax is valid. The burden of proving that the proposed assessment is wrong rests with the person against whom the proposed assessment is made.

(d) The notice shall state that the person has forty-five (45) days from the date the notice is mailed, if the notice was mailed before January 1, 2011, and sixty (60) days from the date the notice is mailed, if the notice was mailed after December 31,

2010, to pay the assessment or to file a written protest. If the person files a protest and requires a hearing on the protest, the department shall:

(1) set the hearing at the department's earliest convenient time; and

(2) notify the person by United States mail of the time, date, and location of the hearing.

(e) The department may hold the hearing at the location of its choice within Indiana if that location complies with IC 6-8.1-3-8.5.

(f) ~~No later than sixty (60) days~~ After conducting a hearing on a protest, or after making a decision on a protest when no hearing is requested, the department shall issue a letter of findings and shall send a copy of the letter through the United States mail to the person who filed the protest and to the person's surety, if the surety was notified of the proposed assessment under subsection (b). The department may continue the hearing until a later date if the taxpayer presents additional information at the hearing or the taxpayer requests an opportunity to present additional information after the hearing.

(g) A person that disagrees with a decision in a letter of findings may request a rehearing not more than thirty (30) days after the date on which the letter of findings is issued by the department. The department shall consider the request and may grant the rehearing if the department reasonably believes that a rehearing would be in the best interests of the taxpayer and the state.

(h) If a person disagrees with a decision in a letter of findings, the person may appeal the decision to the tax court. However, the tax court does not have jurisdiction to hear an appeal that is filed more than ~~sixty (60)~~ **ninety (90)** days after the date on which:

(1) the letter of findings is issued by the department, if the person does not make a timely request for a rehearing under subsection (g) on the letter of findings; or

(2) the department issues a denial of the person's timely request for a rehearing under subsection (g) on the letter of findings.

The ninety (90) day period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must specify a date upon which the extension will terminate and a statement that the person agrees to preserve the person's records until that specified termination date. The specified termination date agreed upon under this subsection may not be more than ninety (90) days after the expiration of the period otherwise specified by this subsection.

(i) The tax court shall hear an appeal under subsection (h) de novo and without a jury. The tax court may do the following:

(1) Uphold or deny any part of the assessment that is appealed.

(2) Assess the court costs in a manner that the court believes to be equitable.

(3) Enjoin the collection of a listed tax under IC 33-26-6-2.

(j) The department shall demand payment, as provided in IC 6-8.1-8-2(a), of any part of the proposed tax assessment, interest, and penalties that it finds owing because:

(1) the person failed to properly respond within the ~~forty-five (45)~~ **sixty (60)** day period;

(2) the person requested a hearing but failed to appear at that hearing; or

(3) after consideration of the evidence presented in the protest or hearing, the department finds that the person still owes tax.

(k) The department shall make the demand for payment in the manner provided in IC 6-8.1-8-2.

(l) Subsection (b) does not apply to a motor carrier fuel tax return.

SECTION 36. IC 6-8.1-5-2, AS AMENDED BY P.L.182-2009(ss), SECTION 251, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) Except as otherwise provided in this section, the department may not issue a proposed assessment under section 1 of this chapter more than three (3) years after the latest of the date the return is filed, or either of the following:

(1) The due date of the return.

(2) In the case of a return filed for the state gross retail or use tax, the gasoline tax, the special fuel tax, the motor carrier fuel tax, the oil inspection fee, or the petroleum severance tax, the end of the calendar year which contains the taxable period for which the return is filed.

(b) If a person files a utility receipts tax return (IC 6-2.3), an adjusted gross income tax (IC 6-3), supplemental net income tax (IC 6-3-8) (repealed), county adjusted gross income tax (IC 6-3.5-1.1), county option income tax (IC 6-3.5-6), or financial institutions tax (IC 6-5.5) return that understates the person's income, as that term is defined in the particular income tax law, by at least twenty-five percent (25%), the proposed assessment limitation is six (6) years instead of the three (3) years provided in subsection (a).

(c) In the case of the motor vehicle excise tax (IC 6-6-5), the tax shall be assessed as provided in IC 6-6-5-5 and IC 6-6-5-6 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5 is considered to have failed to file a return for purposes of this article.

(d) In the case of the commercial vehicle excise tax imposed under IC 6-6-5.5, the tax shall be assessed as provided in IC 6-6-5.5 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a commercial vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5.5 is considered to have failed to file a return for purposes of this article.

(e) In the case of the excise tax imposed on recreational vehicles and truck campers under IC 6-6-5.1, the tax shall be assessed as provided in IC 6-6-5.1 and must include the penalties and interest due on all listed taxes not paid by the due date. A person who fails to properly register a recreational vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5.1 is considered to have failed to file a return for purposes of this article. A person who fails to pay the tax due under IC 6-6-5.1 on a truck camper is considered to have failed to file a return for purposes of this article.

(f) If a person files a fraudulent, unsigned, or substantially blank return, or if a person does not file a return, there is no time limit within which the department must issue its proposed assessment.

(g) If any part of a listed tax has been erroneously refunded by the department, the erroneous refund may be recovered through the assessment procedures established in this chapter. An assessment issued for an erroneous refund must be issued:

(1) within two (2) years after making the refund; or

(2) within five (5) years after making the refund if the refund was induced by fraud or misrepresentation.

(h) If, before the end of the time within which the department may make an assessment, the department and the person agree to extend that assessment time period, the period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must contain:

(1) the date to which the extension is made; and

(2) a statement that the person agrees to preserve the person's records until the extension terminates.

The department and a person may agree to more than one (1) extension under this subsection.

(i) If a taxpayer's **federal taxable income, federal adjusted gross income, or** federal income tax liability for a taxable year is modified due to ~~the assessment of a federal deficiency or the filing of an amended federal income tax return,~~ **a modification as provided under IC 6-3-4-6(c) and IC 6-3-4-6(d) (for the adjusted gross income tax), or a modification or alteration as**

provided under IC 6-5.5-6-6(c) and IC 6-5.5-6-6(d) (for the financial institutions tax), then the date by which the department must issue a proposed assessment under section 1 of this chapter for tax imposed under IC 6-3 is extended to six (6) months after the date on which the notice of modification is filed with the department by the taxpayer.

SECTION 37. IC 6-8.1-7-1, AS AMENDED BY P.L.2-2014, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to:

(1) members and employees of the department;

(2) the governor;

(3) a member of the general assembly or an employee of the house of representatives or the senate when acting on behalf of a taxpayer located in the member's legislative district who has provided sufficient information to the member or employee for the department to determine that the member or employee is acting on behalf of the taxpayer;

(4) the attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes; or

(5) any authorized officers of the United States;

when it is agreed that the information is to be confidential and to be used solely for official purposes.

(b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:

(1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and

(2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.

(c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family resources, and to any director of a county office of the division of family resources located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding provisions of the state and federal Title IV-D programs.

(d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to a postsecondary educational institution may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved postsecondary educational institutions (as defined by IC 21-7-13-6(a)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.

(e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.

(f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:

(1) the state agency shows an official need for the information; and

(2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.

(g) The information described in subsection (a) may be revealed upon the receipt of a written request from the chief law enforcement officer of a state or local law enforcement agency in Indiana when it is agreed that the information is to be confidential and to be used solely for official purposes.

(h) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(k) may be released solely for tax collection purposes to township assessors and county assessors.

(i) The department shall notify the appropriate ~~innkeepers'~~ **innkeeper's** tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.

(j) All information relating to the delinquency or evasion of the motor vehicle excise tax may be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.

(k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(l) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(m) All information relating to the delinquency or evasion of the excise taxes imposed on recreational vehicles and truck campers that are payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.1.

(n) This section does not apply to:

(1) the beer excise tax, including brand and packaged type (IC 7.1-4-2);

(2) the liquor excise tax (IC 7.1-4-3);

(3) the wine excise tax (IC 7.1-4-4);

(4) the hard cider excise tax (IC 7.1-4-4.5);

(5) the malt excise tax (IC 7.1-4-5);

(6) the motor vehicle excise tax (IC 6-6-5);

(7) the commercial vehicle excise tax (IC 6-6-5.5); and

(8) the fees under IC 13-23.

(o) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under IC 6-2.5-6-14.2.

(p) The name and business address of a person licensed by the department under IC 6-6 or IC 6-7 may be released for the purpose of reporting the status of the person's license.

(q) The department may release information concerning total incremental tax amounts under:

(1) IC 5-28-26;
(2) IC 36-7-13;
(3) IC 36-7-26;
(4) IC 36-7-27;
(5) IC 36-7-31;
(6) IC 36-7-31.3; or
(7) any other statute providing for the calculation of incremental state taxes that will be distributed to or retained by a political subdivision or other entity;

to the fiscal officer of the political subdivision or other entity that established the district or area from which the incremental taxes were received if that fiscal officer enters into an agreement with the department specifying that the political subdivision or other entity will use the information solely for official purposes.

(r) The department may release the information as required in IC 6-8.1-3-7.1 concerning:

(1) an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9;

(2) the supplemental auto rental excise tax under IC 6-6-9.7; and

(3) the covered taxes allocated to a professional sports development area fund, sports and convention facilities operating fund, or other fund under IC 36-7-31 and IC 36-7-31.3.

(s) Information concerning state gross retail tax exemption certificates that relate to a person who is exempt from the state gross retail tax under IC 6-2.5-4-5 may be disclosed to a power subsidiary (as defined in IC 6-2.5-4-5) or a person selling the services or commodities listed in IC 6-2.5-4-5(b) for the purpose of enforcing and collecting the state gross retail and use taxes under IC 6-2.5.

SECTION 38. IC 6-8.1-8-2, AS AMENDED BY P.L.293-2013(ts), SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) Except as provided in IC 6-8.1-5-3 and sections 16 and 17 of this chapter, the department must issue a demand notice for the payment of a tax and any interest or penalties accrued on the tax, if a person files a tax return without including full payment of the tax or if the department, after ruling on a protest, finds that a person owes the tax before the department issues a tax warrant. The demand notice must state the following:

(1) That the person has ten (10) days from the date the department mails the notice to either pay the amount demanded or show reasonable cause for not paying the amount demanded.
(2) The statutory authority of the department for the issuance of a tax warrant.
(3) The earliest date on which a tax warrant may be filed and recorded.
(4) The statutory authority for the department to levy against a person's property that is held by a financial institution.
(5) The remedies available to the taxpayer to prevent the filing and recording of the judgment.

If the department files a tax warrant in more than one (1) county, the department is not required to issue more than one (1) demand notice.

(b) If the person does not pay the amount demanded or show reasonable cause for not paying the amount demanded within the ten (10) day period, the department may issue a tax warrant for the amount of the tax, interest, penalties, collection fee, sheriff's costs, clerk's costs, and fees established under section 4(b) of this chapter when applicable.

When the department issues a tax warrant, a collection fee of ten percent (10%) of the unpaid tax is added to the total amount due.

(c) When the department issues a tax warrant, it may not file the warrant with the circuit court clerk of any county in which the person owns property until at least twenty (20) days after the date the demand notice was mailed to the taxpayer. The department may also send the warrant to the sheriff of any county in which the person owns property and direct the sheriff to file the warrant with the circuit court clerk:

(1) at least twenty (20) days after the date the demand notice was mailed to the taxpayer; and
(2) no later than five (5) days after the date the department issues the warrant.

(d) When the circuit court clerk receives a tax warrant from the department or the sheriff, the clerk shall record the warrant by making an entry in the judgment debtor's column of the judgment record, listing the following:

(1) The name of the person owing the tax.
(2) The amount of the tax, interest, penalties, collection fee, sheriff's costs, clerk's costs, and fees established under section 4(b) of this chapter when applicable.
(3) The date the warrant was filed with the clerk.

(e) When the entry is made, the total amount of the tax warrant becomes a judgment against the person owing the tax. The judgment creates a lien in favor of the state that attaches to all the person's interest in any:

(1) chose in action in the county; and
(2) real or personal property in the county;

excepting only negotiable instruments not yet due.

(f) A judgment obtained under this section is valid for ten (10) years from the date the judgment is filed. The department may renew the judgment for additional ten (10) year periods by filing an alias tax warrant with the circuit court clerk of the county in which the judgment previously existed.

(g) A judgment arising from a tax warrant in a county shall be released by the department:

(1) after the judgment, including all accrued interest to the date of payment, has been fully satisfied; or
(2) if the department determines that the tax assessment or the issuance of the tax warrant was in error.

(h) **Subject to subsections (p) and (q),** if the department determines that the filing of a tax warrant was in error **or if the commissioner determines that the release of the judgment and expungement of the tax warrant are in the best interest of the state,** the department shall mail a release of the judgment to the taxpayer and the circuit court clerk of each county where the warrant was filed. The circuit court clerk of each county where the warrant was filed shall expunge the warrant from the judgment debtor's column of the judgment record. The department shall mail the release and the order for the warrant to be expunged as soon as possible but no later than seven (7) days after:

(1) the determination by the department that the filing of the warrant was in error; and
(2) the receipt of information by the department that the judgment has been recorded under subsection (d).

(i) If the department determines that a judgment described in subsection (h) is obstructing a lawful transaction, the department shall immediately upon making the determination mail:

(1) a release of the judgment to the taxpayer; and
(2) an order requiring the circuit court clerk of each county where the judgment was filed to expunge the warrant.

(j) A release issued under subsection (h) or (i) must state that the filing of the tax warrant was in error. Upon the request of the taxpayer, the department shall mail a copy of a release and the order for the warrant to be expunged issued under subsection (h) or (i) to each major credit reporting company located in each county where the judgment was filed.

(k) The commissioner shall notify each state agency or officer supplied with a tax warrant list of the issuance of a release under subsection (h) or (i).

(l) If the sheriff collects the full amount of a tax warrant, the sheriff shall disburse the money collected in the manner provided in section 3(c) of this chapter. If a judgment has been partially or fully satisfied by a person's surety, the surety becomes subrogated to the department's rights under the judgment. If a sheriff releases a judgment:

(1) before the judgment is fully satisfied;

(2) before the sheriff has properly disbursed the amount collected; or

(3) after the sheriff has returned the tax warrant to the department;

the sheriff commits a Class B misdemeanor and is personally liable for the part of the judgment not remitted to the department.

(m) A lien on real property described in subsection (e)(2) is void if both of the following occur:

(1) The person owing the tax provides written notice to the department to file an action to foreclose the lien.

(2) The department fails to file an action to foreclose the lien not later than one hundred eighty (180) days after receiving the notice.

(n) A person who gives notice under subsection (m) by registered or certified mail to the department may file an affidavit of service of the notice to file an action to foreclose the lien with the circuit court clerk in the county in which the property is located. The affidavit must state the following:

(1) The facts of the notice.

(2) That more than one hundred eighty (180) days have passed since the notice was received by the department.

(3) That no action for foreclosure of the lien is pending.

(4) That no unsatisfied judgment has been rendered on the lien.

(o) Upon receipt of the affidavit described in subsection (n), the circuit court clerk shall make an entry showing the release of the judgment lien in the judgment records for tax warrants.

(p) The department shall adopt rules to define the circumstances under which a release and expungement may be granted based on a finding that the release and expungement would be in the best interest of the state. The rules may allow the commissioner to expunge a tax warrant in other circumstances not inconsistent with subsection (q) that the commissioner determines are appropriate. Any releases or expungements granted by the commissioner must be consistent with these rules.

(q) The commissioner may expunge a tax warrant in the following circumstances:

(1) If the taxpayer has timely and fully filed and paid all of the taxpayer's state taxes, or has otherwise resolved any outstanding state tax issues, for the preceding five (5) years.

(2) If the warrant was issued more than ten (10) years prior to the expungement.

(3) If the warrant is not subject to pending litigation.

(4) Other circumstances not inconsistent with subdivisions (1) through (3) that are specified in the rules adopted under subsection (p).

(r) Notwithstanding any other provision in this section, the commissioner may decline to release a judgment or expunge a warrant upon a finding that the warrant was issued based on the taxpayer's fraudulent, intentional, or reckless conduct.

(s) The rules required under subsection (p) shall specify the process for requesting that the commissioner release and expunge a tax warrant.

SECTION 39. IC 6-8.1-9-1, AS AMENDED BY P.L.137-2012, SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) If a person has paid more tax than the person determines is legally due for a particular taxable period, the person may file a claim for a refund with the department. Except as provided in subsections ~~(f)~~ **(j)** and ~~(g),~~ **(k),** in order to obtain the refund, the person must file the claim with the department within three (3) years after the latter of the following:

(1) The due date of the return.

(2) The date of payment.

For purposes of this section, the due date for a return filed for the state gross retail or use tax, the gasoline tax, the special fuel tax, the motor carrier fuel tax, the oil inspection fee, or the petroleum severance tax is the end of the calendar year which contains the taxable period for which the return is filed. The claim must set forth the amount of the refund to which the person is entitled and the reasons that the person is entitled to the refund.

(b) After considering the claim and all evidence relevant to the claim, the department shall issue a decision on the claim, stating the part, if any, of the refund allowed and containing a statement of the reasons for any part of the refund that is denied. The department shall mail a copy of the decision to the person who filed the claim. If the person disagrees with a part of the decision **on the claim,** the person may file a protest and request a hearing with the department. ~~The department shall mail a copy of the decision to the person who filed the protest.~~ If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision.

~~(c) If the person disagrees with any part of the department's decision, the person may appeal the decision, regardless of whether or not the person protested the tax payment or whether or not the person has accepted a refund. The person must file the appeal with the tax court. The tax court does not have jurisdiction to hear a refund appeal suit, if:~~

~~(1) the appeal is filed more than ninety (90) days after the later of the date the department mails:~~

~~(A) the decision of denial of the claim to the person; or~~

~~(B) the decision made on the protest filed under subsection (b); or~~

~~(2) the appeal is filed both before the decision is issued and before the one hundred eighty-first day after the date the person files the claim for refund with the department.~~

~~(d)~~ **(c)** The tax court shall hear the appeal de novo and without a jury, and after the hearing may order or deny any part of the appealed refund. The court may assess the court costs in any manner that it feels is equitable. The court may enjoin the collection of any of the listed taxes under IC 33-26-6-2. The court may also allow a refund of taxes, interest, and penalties that have been paid to and collected by the department.

(d) The decision on the claim must state that the person has sixty (60) days from the date the decision is mailed to file a written protest. If the person files a protest and requests a hearing on the protest, the department shall:

(1) set the hearing at the department's earliest convenient time; and

(2) notify the person by United States mail of the time, date, and location of the hearing.

(e) The department may hold the hearing at the location of its choice within Indiana if that location complies with IC 6-8.1-3-8.5.

(f) After conducting a hearing on a protest, or after making a decision on a protest when no hearing is requested, the department shall issue a memorandum of decision or order denying a refund and shall send a copy of the decision through the United States mail to the person who filed the protest. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision. The department may continue the hearing until a later date if the taxpayer presents additional information at the hearing or the taxpayer requests an opportunity to present additional information after the hearing.

(g) A person that disagrees with any part of the department's decision in a memorandum of decision or order denying a refund may request a rehearing not more than thirty (30) days after the date on which the memorandum of decision or order denying a refund is issued by the department. The department shall consider the request and may grant the rehearing if the department reasonably believes that a rehearing would be in the best interests of the taxpayer and the state.

(h) If the person disagrees with any part of the

department's decision, the person may appeal the decision, regardless of whether or not the person protested the tax payment or whether or not the person has accepted a refund. The person must file the appeal with the tax court. The tax court does not have jurisdiction to hear a refund appeal if:

(1) the appeal is filed more than ninety (90) days after the later of the dates on which:

(A) the memorandum of decision or order denying a refund is issued by the department, if the person does not make a timely request for a rehearing under subsection (g) on the letter of findings; or

(B) the department issues a denial of the person's timely request for a rehearing under subsection (g) on the memorandum of decision or order denying a refund; or

(2) the appeal is filed both before the decision is issued and before the one hundred eighty-first day after the date the person files the claim for a refund with the department.

The ninety (90) day period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must specify a date upon which the extension will terminate and include a statement that the person agrees to preserve the person's records until that specified termination date. The specified termination date agreed upon under this subsection may not be more than ninety (90) days after the expiration of the period otherwise specified by this subsection.

~~(e)~~ **(i)** With respect to the motor vehicle excise tax, this section applies only to penalties and interest paid on assessments of the motor vehicle excise tax. Any other overpayment of the motor vehicle excise tax is subject to IC 6-6-5.

~~(f)~~ **(j)** If a taxpayer's **federal taxable income, federal adjusted gross income, or** federal income tax liability for a taxable year is modified by the Internal Revenue Service, and the modification would result in a reduction of the tax legally due, the due date by which the taxpayer must file a claim for refund with the department is the later of:

(1) the date determined under subsection (a); or

(2) the date that is one hundred eighty (180) days after the date ~~on which the taxpayer is notified~~ of the modification by the Internal Revenue Service **as provided under:**

(A) IC 6-3-4-6(c) and IC 6-3-4-6(d) (for the adjusted gross income tax); or

(B) IC 6-5.5-6-6(c) and IC 6-5.5-6-6(d) (for the financial institutions tax).

~~(g)~~ **(k)** If an agreement to extend the assessment time period is entered into under IC 6-8.1-5-2(h), the period during which a person may file a claim for a refund under subsection (a) is extended to the same date to which the assessment time period is extended.

SECTION 40. IC 6-8.1-9-2, AS AMENDED BY P.L.293-2013(ts), SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) If the department finds that a person has paid more tax for a taxable year than is legally due, the department shall apply the amount of the excess against any amount of that same tax that is assessed and is currently due. The department may then apply any remaining excess against any of the listed taxes that have been assessed against the person and that are currently due. Subject to subsection (c), if any excess remains after the department has applied the overpayment against the person's tax liabilities, the department shall either refund the amount to the person or, at the person's request, credit the amount to the person's future tax liabilities.

(b) Subject to subsection (c), if a court determines that a person has paid more tax for a taxable year than is legally due, the department shall refund the excess amount to the person.

(c) As used in this subsection, "pass through entity" means a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2), a partnership, a limited liability company, or a limited liability partnership and "pass through income" means a person's distributive share of adjusted gross income for a taxable year attributable to the person's interest in a pass through entity. This subsection applies to a person's overpayment of adjusted gross income tax for a taxable year if:

(1) the person has filed a timely claim for refund with respect to the overpayment under IC 6-8.1-9-1;

(2) the overpayment:

(A) is with respect to a taxable year beginning before January 1, 2009;

(B) is attributable to amounts paid to the department by:

(i) a nonresident shareholder, partner, or member of a pass through entity;

(ii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of the pass through entity; or

(iii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of another pass through entity; and

(3) the overpayment arises from a determination by the department or a court that the person's pass through income is not includible in the person's adjusted gross income derived from sources within Indiana as a result of the application of IC 6-3-2-2(a)(5) and IC 6-3-2-2.2(g).

The department shall apply the overpayment to the person's liability for taxes that have been assessed and are currently due as provided in subsection (a) and apply any remaining overpayment as a credit or credits in satisfaction of the person's liability for listed taxes in taxable years beginning after December 31, 2008. If the person, including any successor to the person's interest in the overpayment, does not have sufficient liability for listed taxes against which to credit all the remaining overpayment in a taxable year beginning after December 31, 2008, and ending before January 1, 2019, the taxpayer is not entitled for any taxable year ending after December 31, 2018, to have any part of the remaining overpayment applied, refunded, or credited to the person's liability for listed taxes. If an overpayment or part of an overpayment is required to be applied as a credit under this subsection to the person's liability for listed taxes for a taxable year beginning after December 31, 2008, and has not been determined by the department or a court to meet the conditions of subdivision (3) by the due date of the person's return for a listed tax for a taxable year beginning after December 31, 2008, the department shall refund to the person that part of the overpayment that should have been applied as a credit for such taxable year within ninety (90) days of the date that the department or a court makes the determination that the overpayment meets the conditions of subdivision (3). However, the department may establish a program to refund small overpayment amounts that do not exceed the threshold dollar value established by the department rather than crediting the amounts against tax liability accruing for a taxable year after December 31, 2008. A person that receives a refund or credit under this subsection shall file a report with the department in the form and in the schedule specified by the department that identifies under penalties of perjury the home state or other jurisdiction where the income subject to the refund or credit was reported as income attributable to that state or jurisdiction.

(d) An excess tax payment that is not refunded or credited against a current or future tax liability within ninety (90) days after the date the refund claim is filed, the date the tax payment was due, or the date the tax was paid, whichever is latest, accrues interest from:

(1) the date the refund claim is filed, **if the refund claim is filed before July 1, 2015; or**

(2) for a refund claim filed after June 30, 2015, the latest of:

(A) the date the tax payment was due;

(B) the date the tax was paid; or

(C) July 1, 2015;

at the rate established under IC 6-8.1-10-1 until a date, determined by the department, that does not precede by more than thirty (30) days, the date on which the refund or credit is made. As used in this subsection, "refund claim" includes **a return and** an amended return that indicates an overpayment of tax. **For purposes of this subsection only, the due date for the payment of the state gross retail or use tax, the oil inspection fee, and the petroleum severance tax is December 31 of the calendar year that contains the taxable period for which the payment is remitted. Notwithstanding any other provision, no interest is due for any time before the filing of a tax return for the period and tax type for which a taxpayer files a refund claim.**

(e) A person who is liable for the payment of excise taxes under IC 7.1-4-3 or IC 7.1-4-4 is entitled to claim a credit against the person's excise tax liability in the amount of the excise taxes paid in duplicate by the person, or the person's assignors or predecessors, upon both:

(1) the receipt of the goods subject to the excise taxes, as reported by the person, or the person's assignors or predecessors, on excise tax returns filed with the department; and

(2) the withdrawal of the same goods from a storage facility operated under 19 U.S.C. 1555(a).

(f) The amount of the credit under subsection (e) is equal to fifty percent (50%) of the amount of excise taxes:

(1) that were paid by the person as described in subsection (e)(2);

(2) that are duplicative of excise taxes paid by the person as described in subsection (e)(1); and

(3) for which the person has not previously claimed a credit.

The credit may be claimed by subtracting the amount of the credit from the amount of the person's excise taxes reported on the person's monthly excise tax returns filed under IC 7.1-4-6 with the department for taxes imposed under IC 7.1-4-3 or IC 7.1-4-4. The amount of the credit that may be taken monthly by the person on each monthly excise tax return may not exceed ten percent (10%) of the excise tax liability reported by the person on the monthly excise tax return. The credit may be claimed on not more than thirty-six (36) consecutive monthly excise tax returns beginning with the month in which credit is first claimed.

(g) The amount of the credit calculated under subsection (f) must be used for capital expenditures to:

(1) expand employment; or

(2) assist in retaining employment within Indiana.

The department shall annually verify whether the capital expenditures made by the person comply with this subsection.

SECTION 41. IC 20-46-4-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 10.5. (a) This section applies to the following school corporations:**

(1) New Durham Township School Corporation.

(2) North Vermillion Community School Corporation.

(b) The superintendent of a school corporation listed in subsection (a) may, after approval by the governing body of the school corporation, submit a petition to the department of local government finance requesting an increase in the maximum permissible ad valorem property tax levy for the school corporation's transportation fund.

(c) If a superintendent submits a petition under subsection (b), the department of local government finance shall increase the maximum permissible ad valorem property tax levy for the school corporation's transportation fund for property taxes first due and payable after December 31, 2015, by an amount equal to the lesser of the following:

(1) Two hundred seventy-six thousand eight hundred sixty-nine dollars ($276,869) in the case of New Durham Township School Corporation, or four hundred thirty-eight thousand two hundred ninety-four dollars ($438,294) in the case of North Vermillion Community School Corporation.

(2) The amount necessary to make the maximum permissible ad valorem property tax levy for the school corporation's transportation fund equal to the maximum permissible ad valorem property tax levy that would have applied to the school corporation's transportation fund for property taxes first due and payable after December 31, 2015, if in each year, beginning in 2003 and ending in 2015, the school corporation had imposed the maximum permissible ad valorem property tax levy for the school corporation's transportation fund in each of those years (regardless of whether the school corporation did impose the entire amount of the maximum permissible ad valorem property tax levy for the school corporation's transportation fund).

SECTION 42. IC 27-1-2-2.3, AS ADDED BY P.L.129-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2.3. (a) As used in this section, "captive insurer" means a foreign company or an alien company:

(1) that is supervised in the foreign or alien jurisdiction;

(2) that is owned by a person that conducts business in Indiana;

(3) whose exclusive purpose is to insure property and casualty risks of:

(A) the parent entity described in subdivision (2);

(B) affiliates of the parent entity; or

(C) a controlled unaffiliated business;

which may include reinsuring (through risk-sharing arrangements) property and casualty risks insured by other foreign companies or alien companies described in subdivision (1); and

(4) that: ~~has not more than two million dollars ($2,000,000) of annual direct written premium.~~

(A) is owned or controlled by a state educational institution (as defined by IC 21-7-13-32); or

(B) has made an election under Section 831(b) of the Internal Revenue Code if that election is in effect.

(b) As used in this section, "controlled unaffiliated business" means a business:

(1) that:

(A) is not an affiliate of; and

(B) has a contractual relationship with;

a parent entity described in subsection (a)(2) or an affiliate of the parent entity; and

(2) the risks of which are managed by a captive insurer.

(c) Except as provided in this section, this article does not apply to a captive insurer.

(d) A captive insurer that is doing business in Indiana:

(1) is not required to obtain a certificate of authority in Indiana **under IC 27-1-6 for domestic formation or under IC 27-1-17 for foreign company admission;**

(2) shall register with the commissioner; and

(3) shall, for each calendar year after 2012 in which the captive insurer is doing business in Indiana, pay into the treasury of this state a tax of two thousand five hundred dollars ($2,500).

(e) A captive insurer that is required to pay the tax imposed for a calendar year under subsection (d)(3) shall pay the tax as follows:

(1) For a tax imposed under subsection (d)(3) for calendar year 2013, the captive insurer shall pay the tax before July 1, 2014.

(2) For a tax imposed under subsection (d)(3) for a calendar year after 2013, the captive insurer shall pay the

tax before April 15 of the following calendar year.

(f) The state and a political subdivision of the state shall not impose a license fee or privilege or other tax on a captive insurer, except the following:

(1) The tax described in subsection (d)(3).

(2) An applicable tax on real and tangible personal property of the captive insurer.

SECTION 43. IC 36-7-14.5-12.5, AS AMENDED BY P.L.203-2011, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may create an economic development area:

(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and

(2) with the same effect as if the economic development area was created by a redevelopment commission.

The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11 of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic

development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, **except that the expiration date of any allocation provision for the allocation area is the later of July 1, 2016, or the expiration date determined under IC 36-7-14-39(b),** and except that, notwithstanding IC 36-7-14-39(b)(3), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it that benefits or provides for local public improvements or structures in or serving or benefiting that allocation area.

(5) Pay expenses incurred by the authority that benefit or provide for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(6) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefiting an economic development area created by an authority under this section, and in anticipation of the taxes allocated under subsection (d), other revenues of the authority, or any combination of these sources, the authority may, by resolution, issue the bonds of the special taxing district in the name of the unit. Bonds issued under this section may be issued in any amount without limitation. The following apply if such a resolution is adopted:

(1) The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(2) The bonds must be executed by the appropriate officer of the unit and attested by the unit's fiscal officer.

(3) The bonds are exempt from taxation for all purposes.

(4) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(5) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:

(A) from the tax proceeds allocated under subsection (d);

(B) from other revenues available to the authority; or

(C) from a combination of the methods stated in clauses (A) and (B).

(6) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(7) Laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers and voters to remonstrate against the issuance of bonds do not apply to bonds issued under this section.

(8) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(9) If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11 of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than eleven (11) members, who must be residents of or be employed at a place of employment located within the unit. The members shall be appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

SECTION 44. [EFFECTIVE JULY 1, 2015] **(a) The following definitions apply throughout this SECTION:**

(1) "C corporation" means a corporation subject to Internal Revenue Code Subtitle A, Chapter 1, Subchapter C (Internal Revenue Code Section 301 et

seq.) for federal income tax purposes.

(2) "Listed taxes" has the meaning set forth in IC 6-8.1-1-1.

(3) "Statutory tax relief" for a calendar year after 2010 for a class of taxpayers means the amount equal to:

(A) the best estimate of the sum of all listed taxes revenue and property tax revenue that would have been received from the class of taxpayers for the calendar year if the Indiana Code in effect on January 1, 2010, were effective throughout the calendar year; minus

(B) the best estimate of the sum of all listed taxes revenue and property tax revenue received from, or anticipated to be received from, the class of taxpayers for the calendar year:

(i) under the Indiana Code in effect on January 1 of the calendar year, for a calendar year after 2010 and before 2016; or

(ii) under the Indiana Code anticipated to be in effect on January 1, 2016, for a calendar year after 2015.

(b) The legislative services agency shall conduct a study to determine:

(1) the statutory tax relief realized by C corporations for each calendar year after 2010 and before 2015; and

(2) the statutory tax relief anticipated to be realized by C corporations for each calendar year after 2014 and before 2022.

(c) Not later than December 31, 2016, the legislative services agency shall submit a report of the study to the legislative council and the chairperson and ranking minority member of the house committee on ways and means and the senate committee on tax and fiscal policy.

(d) This SECTION expires December 31, 2016.

SECTION 45. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "department" refers to the department of state revenue.**

(b) The department shall, not later than December 31, 2016:

(1) conduct a study of the department's current information systems;

(2) develop a plan for modernizing the department's information systems; and

(3) submit a report of the study conducted under subdivision (1) and the plan developed under subdivision (2) to the budget committee and the legislative council.

(c) The report submitted to the legislative council must be in an electronic format under IC 5-14-6.

(d) This SECTION expires January 1, 2017.

SECTION 46. **An emergency is declared for this act.**

(Reference is to EHB 1472 as reprinted April 15, 2015.)

NEGELE	HERSHMAN
PRYOR	BRODEN
House Conferees	Senate Conferees

Roll Call 558: yeas 79, nays 16. Report adopted.

Representatives C. Brown and Slager, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT
ESB 65–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 65 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE JULY 1, 2015] **(a) The general assembly urges the legislative council to assign to an appropriate study committee for study during the 2015 interim the topic of whether, and under what circumstances, a creditor's right to bring a claim against an estate should be extended beyond the current nine (9) month period.**

(b) This SECTION expires November 1, 2015.

(Reference is to ESB 65 as reprinted April 14, 2015.)

HOLDMAN	KOCH
ARNOLD	GIAQUINTA
Senate Conferees	House Conferees

Roll Call 559: yeas 96, nays 0. Report adopted.

Representative Morrison, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
ESB 369–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 369 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-3-1-0.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 0.2. As used in this section, "locality newspaper" means a publication that meets all of the following requirements:**

(1) Is regularly issued at least one (1) time per week.

(2) Contains in each issue news of general or community interest, community notices, or editorial commentary by different authors.

(3) Has, in more than one-half (1/2) of its issues published during the previous twelve (12) month period, not more than seventy-five percent (75%) advertising content.

(4) Has been published continuously for at least three (3) years.

(5) Has the ability to add subscribers to its distribution list. The locality newspaper must add any person to its distribution list:

(A) who requests to be added as a new subscriber; and

(B) whose mailing address is within the political subdivision in which the locality newspaper generally circulates.

(6) Is a publication of general circulation in the political subdivision that is responsible for the publication of notice.

(7) Is circulated by United States mail, free of charge, to addresses that are located within the political subdivision responsible for the publication of notice.

(8) Has its circulation verified by an annual independent audit of the publication.

(9) Contains advertisements from numerous unrelated advertisers in each issue.

(10) Is not owned by, or under the control of, the owners or lessees of a shopping center, a merchant's association, or a business that sells property or services (other than advertising) whose advertisements for their sales of property or services constitute the predominant

advertising in the publication.

(11) Has continuity as to title and general nature of content from issue to issue.

(12) Does not constitute a book, either singly or when successive issues are put together.

(13) Has a known office location in the county in which the locality newspaper is published.

SECTION 2. IC 5-3-1-0.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 0.6. (a) For purposes of this chapter, a newspaper or qualified publication is published at the place where the newspaper or qualified publication has its original entry for mail privileges authorized by the United States Postal Service. **For purposes of this chapter:**

(1) a locality newspaper is considered to be "published" at the location of its business office; and

(2) any reference to a newspaper "published" in a political subdivision refers, with regard to a locality newspaper, that the locality newspaper's business office is located in the political subdivision.

(b) For purposes of this chapter, a newspaper, **locality newspaper,** or qualified publication is considered published at only one (1) place. The place of publication does not include places at which additional entry offices have been established with the authorization of the United States Postal Service. **For purposes of this chapter, a locality newspaper is considered to be "published" at only one (1) place, the location of its business office.**

SECTION 3. IC 5-3-1-1, AS AMENDED BY P.L.141-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) The cost of all public notice advertising which any elected or appointed public official or governmental agency is required by law to have published, or orders published, for which the compensation to the newspapers, **locality newspapers,** or qualified publications publishing such advertising is drawn from and is the ultimate obligation of the public treasury of the governmental unit concerned with the advertising shall be charged to and collected from the proper fund of the public treasury and paid over to the newspapers, **locality newspapers,** or qualified publications publishing such advertising, after proof of publication and claim for payment has been filed.

(b) The basic charges for publishing public notice advertising shall be by the line and shall be computed based on a square of two hundred and fifty (250) ems at the following rates:

(1) Before January 1, 1996, three dollars and thirty cents ($3.30) per square for the first insertion in newspapers or qualified publications plus one dollar and sixty-five cents ($1.65) per square for each additional insertion in newspapers, or qualified publications.

(2) After December 31, 1995, and before December 31, 2005, a newspaper, or qualified publication may, effective January 1 of any year, increase the basic charges by five percent (5%) more than the basic charges that were in effect during the previous year. However, the basic charges for the first insertion of a public notice in a newspaper, or qualified publication may not exceed the lowest classified advertising rate charged to advertisers by the newspaper, or qualified publication for comparable use of the same amount of space for other purposes.

(3) After December 31, 2009, **and before January 1, 2016,** a newspaper or qualified publication may, effective January 1 of any year, increase the basic charges by not more than two and three-quarters percent (2.75%) more than the basic charges that were in effect during the previous year. However, the basic charges for the first insertion of a public notice in a newspaper or qualified publication may not exceed the lowest classified advertising rate charged to advertisers by the newspaper or qualified publication for comparable use of the same amount of space for other purposes and must include all multiple insertion discounts extended to the newspaper's other advertisers.

(4) After December 31, 2015, a newspaper, locality newspaper, or qualified publication may, effective January 1 of any year, increase the basic charges by not more than two and seventy-five hundredths percent (2.75%) more than the basic charges that were in effect during the previous year. However, the basic charges for the first insertion of a public notice in a newspaper, locality newspaper, or qualified publication may not exceed the lowest classified advertising rate charged to advertisers by the newspaper, locality newspaper, or qualified publication for comparable use of the same amount of space for other purposes and must include all multiple insertion discounts extended to the newspaper's, locality newspaper's, or qualified publication's other advertisers.

An additional charge of fifty percent (50%) shall be allowed for the publication of all public notice advertising containing rule or tabular work.

(c) All public notice advertisements shall be set in solid type that is at least 7 point type, without any leads or other devices for increasing space. All public notice advertisements shall be headed by not more than two (2) lines, neither of which shall total more than four (4) solid lines of the type in which the body of the advertisement is set. Public notice advertisements may be submitted by an appointed or elected official or a governmental agency to a newspaper, **locality newspaper,** or qualified publication in electronic form, if the newspaper, **locality newspaper,** or qualified publication is equipped to accept information in compatible electronic form.

(d) Each newspaper, **locality newspaper,** or qualified publication publishing public notice advertising shall submit proof of publication and claim for payment in duplicate on each public notice advertisement published. For each additional proof of publication required by a public official, a charge of one dollar ($1) per copy shall be allowed each newspaper, **locality newspaper,** or qualified publication furnishing proof of publication.

(e) The circulation of a newspaper, **locality newspaper,** or qualified publication is determined as follows:

(1) For a newspaper, by the circulation stated on line 10.C. (Total Paid and/or Requested Circulation of Single Issue Published Nearest to Filing Date) of the Statement of Ownership, Management and Circulation required by 39 U.S.C. 3685 that was filed during the previous year.

(2) For a locality newspaper, by a verified affidavit filed with each agency, department, or office of the political subdivision that has public notices the locality newspaper wants to publish. The affidavit must:

(A) be filed with the agency, department, or office of the political subdivision before January 1 of each year; and

(B) attest to the circulation of the locality newspaper for the issue published nearest to October 1 of the previous year, as determined by an independent audit of the locality newspaper performed for the previous year.

~~(2)~~ **(3)** For a qualified publication, by a verified affidavit filed with each governmental agency that has public notices the qualified publication wants to publish. The affidavit must:

(A) be filed with the governmental agency before January 1 of each year; and

(B) attest to the circulation of the qualified publication for the issue published nearest to October 1 of the previous year.

SECTION 4. IC 5-3-1-1.5, AS ADDED BY P.L.141-2009, SECTION 2, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2015]: Sec. 1.5. (a) This section applies ~~after June 30, 2009,~~ to a notice that must be published in accordance with this chapter.

(b) If a newspaper **or locality newspaper** maintains an Internet web site, a notice that is published in the newspaper **or locality newspaper** must also be posted on the ~~newspaper's~~ web site **of the newspaper or locality newspaper.** The notice must appear on the web site on the same day the notice appears in the newspaper **or locality newspaper.**

(c) The state board of accounts shall develop a standard form for notices posted on a newspaper's **or locality newspaper's** Internet web site.

(d) A newspaper **or locality newspaper** may not charge a fee for posting a notice on the newspaper's **or locality newspaper's** Internet web site under this section.

SECTION 5. IC 5-3-1-2, AS AMENDED BY SEA 530-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) This section applies only when notice of an event is required to be given by publication in accordance with this chapter.

(b) If the event is a public hearing or meeting concerning any matter not specifically mentioned in subsection (c), (d), (e), (f), (g), (h), or (i), notice shall be published one (1) time, at least ten (10) days before the date of the hearing or meeting.

(c) If the event is an election, notice shall be published one (1) time, at least ten (10) days before the date of the election.

(d) If the event is a sale of bonds, notes, or warrants, notice shall be published two (2) times, at least one (1) week apart, with:

(1) the first publication made at least fifteen (15) days before the date of the sale; and

(2) the second publication made at least three (3) days before the date of the sale.

(e) If the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

(f) If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

(g) If the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.

(h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

(i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

(j) If any officer charged with the duty of publishing any notice required by law is unable to procure ~~advertisement.~~ **publication of the notice:**

(1) at the price fixed by law;

(2) because ~~the newspaper~~ **all:**

(A) newspapers; and

(B) locality newspapers;

~~refuses~~ **that are qualified to publish the notice refuse** to publish the ~~advertisement;~~ **notice;** or

(3) because the ~~newspaper refuses~~ **newspapers or locality newspapers referred to in subdivision (2) refuse** to post the ~~advertisement~~ **notice** on the ~~newspaper's~~ **newspapers' or locality newspapers'** Internet web site (if required under section 1.5 of this chapter);

it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of publication of the notice in newspapers **or locality newspapers** and on an Internet web site (if required under section 1.5 of this chapter).

SECTION 6. IC 5-3-1-4, AS AMENDED BY P.L.141-2009, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) Whenever officers of a political subdivision are required to publish a notice affecting the political subdivision, they shall publish the notice in two (2) newspapers published in the political subdivision.

(b) This subsection applies to notices published by county officers. If there is only one (1) newspaper published in the county, then publication in that newspaper alone is sufficient.

(c) This subsection applies to notices published by city, town, or school corporation officers. If there is only one (1) newspaper published in the municipality or school corporation, then publication in that newspaper alone is sufficient. If no newspaper is published in the municipality or school corporation, then publication **of the notice** shall be made in **one (1) of the following:**

(1) A locality newspaper located within the municipality or school corporation.

(2) A newspaper published in the county in which the municipality or school corporation is located and that circulates within the municipality or school corporation.

(d) This subsection applies to notices published by officers of political subdivisions not covered by subsection (a) or (b). If there is only one (1) newspaper published in the political subdivision, then the notice shall be published in that newspaper. If no newspaper is published in the political subdivision, then publication **of the notice** shall be made in **one (1) of the following:**

(1) A locality newspaper located within the municipality or school corporation.

(2) A newspaper published in the county and that circulates within the political subdivision.

(e) This subsection applies to a political subdivision, including a city, town, or school corporation. Notwithstanding any other law, if a political subdivision has territory in more than one (1) county, public notices that are required by law or ordered to be published must be given as follows:

(1) By publication in two (2) newspapers, published within the boundaries of the political subdivision.

(2) If only one (1) newspaper is published within the boundaries of the political subdivision, by publication **of the notice** in that newspaper and **in one (1) of the following:**

(A) A locality newspaper located within the political subdivision.

(B) In ~~some other~~ **another** newspaper:

~~(A)~~ **(i)** published in any county in which the political subdivision extends; and

~~(B)~~ **(ii)** that has a general circulation in the political subdivision.

(3) If no newspaper is published within the boundaries of the political subdivision, by ~~publication~~ **publishing the notice** in two (2) **publications, consisting of either or both of the following:**

(A) A locality newspaper located within the political subdivision.

(B) A ~~newspapers~~ **newspaper** that:

~~(A)~~ **(i)** ~~are~~ **is** published in any counties into which the political subdivision extends; and

~~(B)~~ **(ii)** ~~have~~ **has** a general circulation in the political subdivision.

(4) If only one (1) newspaper is published in any of the counties into which the political subdivision extends, by publication **of the notice in one (1) of the following:**

(A) A locality newspaper located within the political subdivision.

(B) ~~in that~~ **The** newspaper **published in the county** if ~~it~~ **the newspaper** circulates within the political subdivision.

(f) A political subdivision may, in its discretion, publish public notices in a qualified publication or additional newspapers **or locality newspapers** to provide supplementary notification to the public. The cost of publishing supplementary notification is a proper expenditure of the political subdivision.

SECTION 7. IC 5-14-3-2, AS AMENDED BY P.L.248-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) The definitions set forth in this section apply throughout this chapter.

(b) "Computer processing time" means the amount of time a computer takes to process a command or script to extract or copy electronically stored data that is the subject of a public records request.

~~(b)~~ **(c)** "Copy" includes transcribing by handwriting, photocopying, xerography, duplicating machine, duplicating electronically stored data onto a disk, tape, drum, or any other medium of electronic data storage, and reproducing by any other means.

~~(c)~~ **(d)** "Criminal intelligence information" means data that has been evaluated to determine that the data is relevant to:

(1) the identification of; and

(2) the criminal activity engaged in by;

an individual who or organization that is reasonably suspected of involvement in criminal activity.

~~(d)~~ **(e)** "Direct cost" means one hundred five percent (105%) of the sum of the cost of:

(1) the initial development of a program, if any;

(2) the labor required to retrieve electronically stored data; and

(3) any medium used for electronic output;

for providing a duplicate of electronically stored data onto a disk, tape, drum, or other medium of electronic data retrieval under section 8(g) of this chapter, or for reprogramming a computer system under section 6(c) of this chapter.

~~(e)~~ **(f)** "Electronic map" means copyrighted data provided by a public agency from an electronic geographic information system.

~~(f)~~ **(g)** "Enhanced access" means the inspection of a public record by a person other than a governmental entity and that:

(1) is by means of an electronic device other than an electronic device provided by a public agency in the office of the public agency; or

(2) requires the compilation or creation of a list or report that does not result in the permanent electronic storage of the information.

~~(g)~~ **(h)** "Facsimile machine" means a machine that electronically transmits exact images through connection with a telephone network.

~~(h)~~ **(i)** "Inspect" includes the right to do the following:

(1) Manually transcribe and make notes, abstracts, or memoranda.

(2) In the case of tape recordings or other aural public records, to listen and manually transcribe or duplicate, or make notes, abstracts, or other memoranda from them.

(3) In the case of public records available:

(A) by enhanced access under section 3.5 of this chapter; or

(B) to a governmental entity under section 3(c)(2) of this chapter;

to examine and copy the public records by use of an electronic device.

(4) In the case of electronically stored data, to manually transcribe and make notes, abstracts, or memoranda or to duplicate the data onto a disk, tape, drum, or any other medium of electronic storage.

~~(i)~~ **(j)** "Investigatory record" means information compiled in the course of the investigation of a crime.

~~(j)~~ **(k)** "Offender" means a person confined in a penal institution as the result of the conviction for a crime.

~~(k)~~ **(l)** "Patient" has the meaning set out in IC 16-18-2-272(d).

~~(l)~~ **(m)** "Person" means an individual, a corporation, a limited liability company, a partnership, an unincorporated association, or a governmental entity.

~~(m)~~ **(n)** "Provider" has the meaning set out in IC 16-18-2-295(b) and includes employees of the state department of health or local boards of health who create patient records at the request of another provider or who are social workers and create records concerning the family background of children who may need assistance.

~~(n)~~ **(o)** "Public agency", except as provided in section 2.1 of this chapter, means the following:

(1) Any board, commission, department, division, bureau, committee, agency, office, instrumentality, or authority, by whatever name designated, exercising any part of the executive, administrative, judicial, or legislative power of the state.

(2) Any:

(A) county, township, school corporation, city, or town, or any board, commission, department, division, bureau, committee, office, instrumentality, or authority of any county, township, school corporation, city, or town;

(B) political subdivision (as defined by IC 36-1-2-13); or

(C) other entity, or any office thereof, by whatever name designated, exercising in a limited geographical area the executive, administrative, judicial, or legislative power of the state or a delegated local governmental power.

(3) Any entity or office that is subject to:

(A) budget review by either the department of local government finance or the governing body of a county, city, town, township, or school corporation; or

(B) an audit by the state board of accounts that is required by statute, rule, or regulation.

(4) Any building corporation of a political subdivision that issues bonds for the purpose of constructing public facilities.

(5) Any advisory commission, committee, or body created by statute, ordinance, or executive order to advise the governing body of a public agency, except medical staffs or the committees of any such staff.

(6) Any law enforcement agency, which means an agency or a department of any level of government that engages in the investigation, apprehension, arrest, or prosecution of alleged criminal offenders, such as the state police department, the police or sheriff's department of a political subdivision, prosecuting attorneys, members of the excise police division of the alcohol and tobacco commission, conservation officers of the department of natural resources, gaming agents of the Indiana gaming commission, gaming control officers of the Indiana gaming commission, and the security division of the state lottery commission.

(7) Any license branch staffed by employees of the bureau of motor vehicles commission under IC 9-16.

(8) The state lottery commission established by IC 4-30-3-1, including any department, division, or office of the commission.

(9) The Indiana gaming commission established under IC 4-33, including any department, division, or office of the commission.

(10) The Indiana horse racing commission established by IC 4-31, including any department, division, or office of the commission.

~~(o)~~ **(p)** "Public record" means any writing, paper, report, study, map, photograph, book, card, tape recording, or other material that is created, received, retained, maintained, or filed by or with a public agency and which is generated on paper,

paper substitutes, photographic media, chemically based media, magnetic or machine readable media, electronically stored data, or any other material, regardless of form or characteristics.

~~(p)~~ **(q)** "Standard-sized documents" includes all documents that can be mechanically reproduced (without mechanical reduction) on paper sized eight and one-half (8 1/2) inches by eleven (11) inches or eight and one-half (8 1/2) inches by fourteen (14) inches.

~~(q)~~ **(r)** "Trade secret" has the meaning set forth in IC 24-2-3-2.

~~(r)~~ **(s)** "Work product of an attorney" means information compiled by an attorney in reasonable anticipation of litigation. The term includes the attorney's:

(1) notes and statements taken during interviews of prospective witnesses; and

(2) legal research or records, correspondence, reports, or memoranda to the extent that each contains the attorney's opinions, theories, or conclusions.

This definition does not restrict the application of any exception under section 4 of this chapter.

SECTION 8. IC 5-14-3-3, AS AMENDED BY P.L.134-2012, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) Any person may inspect and copy the public records of any public agency during the regular business hours of the agency, except as provided in section 4 of this chapter. A request for inspection or copying must:

(1) identify with reasonable particularity the record being requested; and

(2) be, at the discretion of the agency, in writing on or in a form provided by the agency.

No request may be denied because the person making the request refuses to state the purpose of the request, unless such condition is required by other applicable statute.

(b) A public agency may not deny or interfere with the exercise of the right stated in subsection (a). Within a reasonable time after the request is received by the agency, the public agency shall either:

(1) provide the requested copies to the person making the request; or

(2) allow the person to make copies:

(A) on the agency's equipment; or

(B) on the person's own equipment.

(c) Notwithstanding subsections (a) and (b), a public agency may or may not do the following:

(1) In accordance with a contract described in section 3.5 of this chapter, permit a person to inspect and copy through the use of enhanced access public records containing information owned by or entrusted to the public agency.

(2) Permit a governmental entity to use an electronic device to inspect and copy public records containing information owned by or entrusted to the public agency.

(d) Except as provided in subsection (e), a public agency that maintains or contracts for the maintenance of public records in an electronic data storage system shall make reasonable efforts to provide to a person making a request a copy of all disclosable data contained in the records on paper, disk, tape, drum, or any other method of electronic retrieval if the medium requested is compatible with the agency's data storage system. This subsection does not apply to an electronic map.

(e) A state agency may adopt a rule under IC 4-22-2, and a political subdivision may enact an ordinance, prescribing the conditions under which a person who receives information on disk or tape under subsection (d) may or may not use the information for commercial purposes, including to sell, advertise, or solicit the purchase of merchandise, goods, or services, or sell, loan, give away, or otherwise deliver the information obtained by the request to any other person for these purposes. Use of information received under subsection (d) in connection with the preparation or publication of news, for nonprofit activities, or for academic research is not prohibited. A person who uses information in a manner contrary to a rule or ordinance adopted under this subsection may be prohibited by the state agency or political subdivision from obtaining a copy or any further data under subsection (d).

(f) Notwithstanding the other provisions of this section, a public agency is not required to create or provide copies of lists of names and addresses (including electronic mail account addresses) unless the public agency is required to publish such lists and disseminate them to the public under a statute. However, if a public agency has created a list of names and addresses (excluding electronic mail account addresses) it must permit a person to inspect and make memoranda abstracts from the list unless access to the list is prohibited by law. The lists of names and addresses (including electronic mail account addresses) described in subdivisions (1) through (3) may not be disclosed by public agencies to any individual or entity for political purposes and may not be used by any individual or entity for political purposes. In addition, the lists of names and addresses (including electronic mail account addresses) described in subdivisions (1) through (3) may not be disclosed by public agencies to commercial entities for commercial purposes and may not be used by commercial entities for commercial purposes. The prohibition in this subsection against the disclosure of lists for political or commercial purposes applies to the following lists of names and addresses (including electronic mail account addresses):

(1) A list of employees of a public agency.

(2) A list of persons attending conferences or meetings at a state educational institution or of persons involved in programs or activities conducted or supervised by the state educational institution.

(3) A list of students who are enrolled in a public school corporation if the governing body of the public school corporation adopts a policy:

(A) with respect to disclosure related to a commercial purpose, prohibiting the disclosure of the list to commercial entities for commercial purposes;

(B) with respect to disclosure related to a commercial purpose, specifying the classes or categories of commercial entities to which the list may not be disclosed or by which the list may not be used for commercial purposes; or

(C) with respect to disclosure related to a political purpose, prohibiting the disclosure of the list to individuals and entities for political purposes.

A policy adopted under subdivision (3)(A) or (3)(B) must be uniform and may not discriminate among similarly situated commercial entities. For purposes of this subsection, "political purposes" means influencing the election of a candidate for federal, state, legislative, local, or school board office or the outcome of a public question or attempting to solicit a contribution to influence the election of a candidate for federal, state, legislative, local, or school board office or the outcome of a public question.

(g) A public agency may not enter into or renew a contract or an obligation:

(1) for the storage or copying of public records; or

(2) that requires the public to obtain a license or pay copyright royalties for obtaining the right to inspect and copy the records unless otherwise provided by applicable statute;

if the contract, obligation, license, or copyright unreasonably impairs the right of the public to inspect and copy the agency's public records.

(h) If this section conflicts with IC 3-7, the provisions of IC 3-7 apply.

(i) This subsection applies to a public record that is in an electronic format. This subsection does not apply to a public record recorded in the office of the county recorder. Subject

to section 4 of this chapter, a public agency shall provide a public record in electronic form or in paper form, at the option of the person making the request for a public record. However, this subsection does not require a public agency to change the format of a public record.

SECTION 9. IC 5-14-3-8, AS AMENDED BY P.L.16-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) For the purposes of this section, "state agency" has the meaning set forth in IC 4-13-1-1.

(b) Except as provided in this section, a public agency may not charge any fee under this chapter **for the following:**

(1) **For a person** to inspect a public record. ~~or~~

(2) For a person to search for a public record.

(3) For the public agency to search for a public record, if the search does not exceed two (2) hours.

~~(2)~~ **(4) For the public agency** to ~~search for,~~ examine or review a record to determine whether the record may be disclosed.

(5) For the public agency to transmit an electronic copy of a public record by electronic mail. However, a public agency may charge a fee for a public record transmitted by electronic mail if the fee for the public record is authorized under:

(A) subsection (f) or (j); or

(B) section 6(c) of this chapter.

(c) The Indiana department of administration shall establish a uniform copying fee for the copying of one (1) page of a standard-sized document by state agencies. The fee may not exceed the average cost of copying records by state agencies or ten cents ($0.10) per page, whichever is greater. A state agency may not collect more than the uniform copying fee for providing a copy of a public record. However, a state agency shall establish and collect a reasonable fee for copying nonstandard-sized documents.

(d) This subsection applies to a public agency that is not a state agency. The fiscal body (as defined in IC 36-1-2-6) of the public agency, or the governing body, if there is no fiscal body, shall establish a fee schedule for the certification or copying of documents. The fee for certification of documents may not exceed five dollars ($5) per document. The fee for copying documents may not exceed the greater of:

(1) ten cents ($0.10) per page for copies that are not color copies or twenty-five cents ($0.25) per page for color copies; or

(2) the actual cost to the agency of copying the document.

As used in this subsection, "actual cost" means the cost of paper and the per-page cost for use of copying or facsimile equipment and does not include labor costs or overhead costs. A fee established under this subsection must be uniform throughout the public agency and uniform to all purchasers.

(e) If:

(1) a person is entitled to a copy of a public record under this chapter; and

(2) the public agency which is in possession of the record has reasonable access to a machine capable of reproducing the public record;

the public agency must provide at least one (1) copy of the public record to the person. However, if a public agency does not have reasonable access to a machine capable of reproducing the record or if the person cannot reproduce the record by use of enhanced access under section 3.5 of this chapter, the person is only entitled to inspect and manually transcribe the record. A public agency may require that the payment for **search and** copying costs be made in advance.

(f) Notwithstanding subsection ~~(b),~~ **(b)(1), (b)(2), (b)(3),** (c), (d), (g), (h), or (i), a public agency shall collect any certification, copying, facsimile machine transmission, or search fee that is specified by statute or is ordered by a court. **Notwithstanding subsection (b)(4), a public agency shall collect any certification or search fee that is specified by statute or is ordered by a court.**

(g) Except as provided by subsection (h), for providing a duplicate of a computer tape, computer disc, microfilm, or similar or analogous record system containing information owned by the public agency or entrusted to it, a public agency may charge a fee, uniform to all purchasers, that does not exceed the sum of the following:

(1) The agency's direct cost of supplying the information in that form.

(2) The standard cost for selling the same information to the public in the form of a publication if the agency has published the information and made the publication available for sale.

(3) In the case of the legislative services agency, a reasonable percentage of the agency's direct cost of maintaining the system in which the information is stored. However, the amount charged by the legislative services agency under this subdivision may not exceed the sum of the amounts it may charge under subdivisions (1) and (2).

(h) This subsection applies to the fee charged by a public agency for providing enhanced access to a public record. A public agency may charge any reasonable fee agreed on in the contract under section 3.5 of this chapter for providing enhanced access to public records.

(i) This subsection applies to the fee charged by a public agency for permitting a governmental entity to inspect public records by means of an electronic device. A public agency may charge any reasonable fee for the inspection of public records under this subsection, or the public agency may waive any fee for the inspection.

(j) Except as provided in subsection (k), a public agency may charge a fee, uniform to all purchasers, for providing an electronic map that is based upon a reasonable percentage of the agency's direct cost of maintaining, upgrading, and enhancing the electronic map and for the direct cost of supplying the electronic map in the form requested by the purchaser. If the public agency is within a political subdivision having a fiscal body, the fee is subject to the approval of the fiscal body of the political subdivision.

(k) The fee charged by a public agency under subsection (j) to cover costs for maintaining, upgrading, and enhancing an electronic map may be waived by the public agency if the electronic map for which the fee is charged will be used for a noncommercial purpose, including the following:

(1) Public agency program support.

(2) Nonprofit activities.

(3) Journalism.

(4) Academic research.

(l) This subsection applies to a public agency that charges a fee for the public agency to search for a public record. A public agency may not charge a fee for the first two (2) hours required to search for a record. A public agency may charge a search fee for any time in excess of two (2) hours. If the public agency charges a search fee, the agency shall charge an hourly fee that does not exceed the lesser of:

(1) the hourly rate of the person making the search; or

(2) twenty dollars ($20) per hour.

A public agency charging an hourly fee under this subsection for searching for a record may charge only for time that the person making the search actually spends in searching for the record. A public agency may not charge for computer processing time and may not establish a minimum fee for searching for a record. A public agency must make a good faith effort to complete a search for a record within a reasonable time in order to minimize the amount of a search fee. The fee shall be prorated to reflect any search time of less than one (1) hour. If a fee is charged by a public agency under subsection (g), (h), (i), or (j) for a public record, the public agency may not charge a fee for searching for the

record under this subsection. A search fee collected by a department, an agency, or an office of a county, city, town, or township shall be deposited in the general fund of the county, city, town, or township.

SECTION 10. IC 5-14-3.7-3, AS AMENDED BY P.L.84-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 3. (a) The department, working with the office of technology established by IC 4-13.1-2-1 or another organization that is part of a state educational institution, the state board of accounts established by IC 5-11-1-1, the department of local government finance established under IC 6-1.1-30-1.1, and the office of management and budget established by IC 4-3-22-3, shall post on the Indiana transparency Internet web site a data base that lists expenditures and fund balances, including expenditures for contracts, grants, and leases, for public schools. The web site must be electronically searchable by the public.

(b) The data base must include for public schools:

(1) the amount, date, payer, and payee of expenditures;

(2) a listing of expenditures ~~by:~~ **specifically identifying those for:**

(A) personal services;

(B) other operating expenses or ~~(C)~~ total operating expenses; **and**

(C) debt service, including lease payments, related to debt;

(3) a listing of fund balances, **specifically identifying balances in funds that are being used for accumulation of money for future capital needs;**

(4) a listing of real and personal property owned by the public school;

(5) the report required under IC 6-1.1-33.5-7; and

(6) information for evaluating the fiscal health of each school corporation in the format required by section 16(b) of this chapter.

SECTION 11. IC 5-14-3.8-3, AS AMENDED BY P.L.84-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 3. The department, working with the office of technology established by IC 4-13.1-2-1, or another organization that is part of a state educational institution, the office of management and budget established by IC 4-3-22-3, and the state board of accounts established by IC 5-11-1-1, shall post on the Indiana transparency Internet web site the following:

(1) The financial reports required by IC 5-11-1-4.

(2) The report on expenditures per capita prepared under IC 6-1.1-33.5-7.

(3) A listing of the property tax rates certified by the department.

(4) An index of audit reports prepared by the state board of accounts.

(5) Local development agreement reports prepared under IC 4-33-23-10 and IC 4-33-23-17.

(6) Information for evaluating the fiscal health of a political subdivision in the format required by section 8(b) of this chapter.

(7) **A listing of expenditures specifically identifying those for:**

(A) personal services;

(B) other operating expenses or total operating expenses; and

(C) debt service, including lease payments, related to debt.

(8) A listing of fund balances, specifically identifying balances in funds that are being used for accumulation of money for future capital needs.

(9) Any other financial information deemed appropriate by the department.

SECTION 12. IC 5-14-3.9 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 3.9. Financial and Operational Summary of a Political Subdivision

Sec. 1. As used in this chapter, "department" refers to the department of local government finance established by IC 6-1.1-30-1.1.

Sec. 2. As used in this chapter, "political subdivision" means a county, township, city, town, school corporation, library district, fire protection district, public transportation corporation, local hospital authority or corporation, local airport authority district, special service district, special taxing district, or other separate local governmental entity that may sue and be sued.

Sec. 3. As used in this chapter, "summary" means the financial and operational summary required by this chapter.

Sec. 4. This chapter applies only to a political subdivision that has an Internet web site. This chapter does not require a political subdivision to establish an Internet web site.

Sec. 5. (a) After July 31, 2016, the department shall publish an annual summary of each political subdivision on the Indiana transparency Internet web site on the dates determined by the department.

(b) A political subdivision shall prominently display on the main Internet web page of the political subdivision's Internet web site the link provided by the department to the Indiana transparency Internet web site established under IC 5-14-3.7.

Sec. 6. The department shall determine the information to be disclosed in the summary that the department considers necessary to reflect the financial condition and operations of the political subdivision, which may include the following:

(1) Information disclosed under IC 5-14-3.7 or IC 5-14-3.8.

(2) Total operating budget.

(3) Approximate number of full-time and part-time employees.

(4) Outstanding indebtedness and interest paid on indebtedness.

(5) Disbursements.

(6) Assessed valuation and tax rates.

(7) Revenue from all sources.

Sec. 7. (a) Subject to the requirements of this section, the department shall determine the form of the summary, which must be presented in a manner that:

(1) can be conveniently and easily accessed from a single web page; and

(2) is commonly known as an Internet dashboard.

(b) The summary must be in a form that is concise and reasonably easy to understand.

Sec. 8. (a) This section applies only to a school corporation.

(b) The summary must include the educational performance information of each school in the school corporation. The department of education (established by IC 20-19-3-1) shall determine the contents of the educational performance information.

SECTION 13. IC 6-1.1-17-3, AS AMENDED BY P.L.183-2014, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. ~~The political subdivision or appropriate fiscal body, if the political subdivision is subject to section 20 of this chapter, shall (before January 1, 2015) at least ten (10) days before the public hearing, give notice to taxpayers of:~~

~~(1) the estimated budget;~~

~~(2) the estimated maximum permissible levy;~~

~~(3) the current and proposed tax levies of each fund; and~~

~~(4) the amounts of excessive levy appeals to be requested.~~

The political subdivision or appropriate fiscal body shall ~~also state the time and place at which the political subdivision or appropriate fiscal body will~~ hold a public hearing on ~~these~~ **the** items ~~The political subdivision or appropriate fiscal body shall (before January 1, 2015) publish the notice twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. The first publication must be before September 14, and the second publication must be before September 21 of the year. The political subdivision shall pay for the publishing of the notice.~~ **listed in subdivision (1).** The political subdivision, **or appropriate fiscal body if the political subdivision is subject to section 20 of this chapter,** shall submit ~~this~~ **the following** information to the department's computer gateway before September 14 of each year and at least ten (10) days before the public hearing required by this subsection in the manner prescribed by the department:

(1) The information required by the department concerning:

(A) the estimated budget;

(B) the estimated maximum permissible levy;

(C) the current and proposed tax levies of each fund; and

(D) the amounts of excessive levy appeals to be requested.

(2) Information concerning the date, time, and place at which the political subdivision or appropriate fiscal body will hold a public hearing on the items described in subdivision (1).

The department shall make this information available to taxpayers, at least ten (10) days before the public hearing, through its computer gateway and provide a telephone number through which taxpayers may request mailed copies of a political subdivision's information under this subsection. The department's computer gateway must allow a taxpayer to search for the information under this subsection by the taxpayer's address. The department shall review only the submission to the department's computer gateway for compliance with this section. **In addition, the political subdivision or appropriate fiscal body may also publish in one (1) or more newspapers the information required to be submitted to the department's computer gateway under this subsection. If the political subdivision or appropriate fiscal body also chooses to publish the information in a newspaper, the published information must also include the Internet address at which the official version of the information required to be submitted to the department's computer gateway is available and the telephone number through which taxpayers may request copies of that information. If a political subdivision or appropriate fiscal body publishes information in a newspaper as authorized under this subsection, the publication of the information is subject to the rates prescribed in IC 5-3-1-1.**

(b) For taxes due and payable in 2015 and 2016, each county shall publish a notice in accordance with IC 5-3-1 in two (2) newspapers published in the county stating the Internet address at which the information under subsection (a) is available and the telephone number through which taxpayers may request copies of a political subdivision's information under subsection (a). If only one (1) newspaper is published in the county, publication in that newspaper is sufficient. The department of local government finance shall prescribe the notice. Notice under this subsection shall be published before September 14. Counties may seek reimbursement from the political subdivisions within their legal boundaries for the cost of the notice required under this subsection. The actions under this subsection shall be completed in the manner prescribed by the department.

(c) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

(1) in any county of the solid waste management district; and

(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(d) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(e) A political subdivision for which any of the information under subsection (a) is not (before January 1, 2015) published and is not submitted to the department's computer gateway in the manner prescribed by the department shall have its most recent annual appropriations and annual tax levy continued for the ensuing budget year.

(f) If a political subdivision or appropriate fiscal body timely publishes (before January 1, 2015) and timely submits the information under subsection (a) but subsequently discovers the information contains a typographical error, the political subdivision or appropriate fiscal body may request permission from the department to submit amended information to the department's computer gateway and (before January 1, 2015) to publish the amended information. However, such a request must occur not later than seven (7) days before the public hearing held under subsection (a). Acknowledgment of the correction of an error shall be posted on the department's computer gateway and communicated by the political subdivision or appropriate fiscal body to the fiscal body of the county in which the political subdivision and appropriate fiscal body are located.

SECTION 14. IC 9-22-1-23, AS AMENDED BY P.L.125-2012, SECTION 125, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 23. (a) This section applies to a city, town, or county.

(b) Except as provided in subsection (c), if the person who owns or holds a lien upon a vehicle does not appear within twenty (20) days after the mailing of a notice or the notification made by electronic service under section 19 of this chapter, the unit may sell the vehicle or parts by either of the following methods:

(1) The unit may sell the vehicle or parts to the highest bidder at a public sale. Notice of the sale shall be given under IC 5-3-1, except that only one (1) ~~newspaper~~ insertion **in an appropriate publication** one (1) week before the public sale is required.

(2) The unit may sell the vehicle or part as unclaimed property under IC 36-1-11. The twenty (20) day period for the property to remain unclaimed is sufficient for a sale under this subdivision.

(c) This subsection applies to a consolidated city or county containing a consolidated city. If the person who owns or holds a lien upon a vehicle does not appear within fifteen (15) days after the mailing of a notice or the notification made by electronic service under section 19 of this chapter, the unit may sell the vehicle or parts by either of the following methods:

(1) The unit may sell the vehicle or parts to the highest bidder at a public sale. Notice of the sale shall be given under IC 5-3-1, except that only one (1) newspaper insertion one (1) week before the public sale is required.

(2) The unit may sell the vehicle or part as unclaimed property under IC 36-1-11. The fifteen (15) day period for the property to remain unclaimed is sufficient for a sale under this subdivision.

SECTION 15. IC 9-22-1.5-3, AS AMENDED BY SEA 7-2015, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) A property owner shall send notice of a mobile home described in section 2 of this chapter as follows:

(1) To the owner of the mobile home at the last known

address of the owner as shown by:

(A) the records of the bureau; or

(B) if the unique serial number or special identification number assigned to the mobile home is removed or otherwise illegible, the records of the assessor of the county in which the mobile home is located.

If the property owner is unable to determine the address of the mobile home owner, the property owner may serve the mobile home owner by posting the notice on the mobile home.

(2) To:

(A) a lienholder with a perfected security interest in the mobile home; or

(B) any other person known to claim an interest in the mobile home;

as shown by the records of the bureau.

Notice under this subsection must include a description of the mobile home, the location of the mobile home, and a conspicuous statement that the mobile home is on the owner's property without the owner's permission. If the owner of a mobile home changes the owner's address from that maintained in the records of the bureau, the owner shall immediately notify the property owner of the new address.

(b) A property owner may provide notice under subsection (a) by the following methods:

(1) Certified mail, return receipt requested.

(2) Personal delivery.

(3) Electronic service under IC 9-22-1-19.

(c) If, before the ~~thirty (30)~~ **sixty (60)** day period described in section 2 of this chapter expires, the mobile home owner requests by certified mail, return receipt requested, additional time to remove the mobile home, the period described in section 2 of this chapter shall be extended by an additional thirty (30) days. The mobile home owner may only request one (1) thirty (30) day extension of time.

SECTION 16. IC 16-18-2-301 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 301. "Publish" or "published" or "cause to be published", for purposes of IC 16-22, means publication of notice in ~~a newspaper; or newspapers;~~ **an appropriate publication** in accordance with IC 5-3-1, unless otherwise specified.

SECTION 17. IC 20-48-4-2, AS ADDED BY P.L.2-2006, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) The board may authorize the trustee to issue township warrants or bonds to pay for the building or the proportional cost of it. The warrants or bonds:

(1) may run for a period not exceeding fifteen (15) years;

(2) may bear interest at any rate; and

(3) shall be sold for not less than par.

The township trustee, before issuing the warrants or bonds, shall place a notice **in accordance with IC 5-3-1-4,** in at least one (1) ~~newspaper~~ **appropriate publication** announcing the sale of the bonds in at least one (1) issue a week for three (3) weeks. The notice must comply with IC 5-3-1 and must set forth the amount of bonds offered, the denomination, the period to run, the rate of interest, and the date, place, and time of selling. The township board shall attend the bond sale and must concur in the sale before the bonds are sold.

(b) The board shall annually levy sufficient taxes each year to pay at least one-fifteenth (1/15) of the warrants or bonds, including interest, and the trustee shall apply the annual tax to the payment of the warrants or bonds each year.

(c) A debt of the township may not be created except by the township board in the manner specified in this section. The board may bring an action in the name of the state against the bond of a trustee to recover for the use of the township funds expended in the unauthorized payment of a debt. The board may appropriate and the township trustee shall pay from township funds a reasonable sum for attorney's fees for this purpose.

(d) If a taxpayer serves the board with a written demand that the board bring an action as described in subsection (c), and after thirty (30) days the board has not brought an action, a taxpayer may bring an action to recover for the use of the township funds expended in the unauthorized payment of a debt. An action brought under this subsection shall be brought in the name of the state.

SECTION 18. IC 36-12-5-3, AS AMENDED BY P.L.13-2013, SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) The library board of a public library may file with the township trustee and legislative body a proposal of expansion and an intent to file a petition for acceptance of the proposal of expansion. Not later than ten (10) days after the filing, the township trustee shall publish notice of the proposal of expansion in the manner provided in IC 5-3-1. **Publication of the notice must be in accordance with IC 5-3-1-4,** in ~~a newspaper~~ **an appropriate publication** of general circulation in the township. Beginning the first day after the notice is published, and during the period that ends sixty (60) days after the date of the publication of the notice, an individual who is a registered voter of the affected township or part of the affected township subject to expansion may sign one (1) or both of the following:

(1) A petition for acceptance of the proposal of expansion that states that the registered voter is in favor of the establishment of an expanded library district.

(2) A remonstrance in opposition to the proposal of expansion that states that the registered voter is opposed to the establishment of an expanded library district.

(b) A registered voter of the township or part of the township may file a petition or a remonstrance, if any, with the clerk of the circuit court in the county where the township is located. A petition for acceptance of the proposal of expansion must be signed by at least twenty percent (20%) of the registered voters of the township, or part of the township, as determined by the most recent general election.

(c) The following apply to a petition that is filed under this section or a remonstrance that is filed under subsection (b):

(1) The petition or remonstrance must show the following:

(A) The date on which each individual signed the petition or remonstrance.

(B) The residence of each individual on the date the individual signed the petition or remonstrance.

(2) The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance, stating that each signature on the petition or remonstrance:

(A) was affixed in the individual's presence; and

(B) is the true signature of the individual who signed the petition or remonstrance.

(3) Several copies of the petition or remonstrance may be executed. The total of the copies constitute a petition or remonstrance. A copy must include an affidavit described in subdivision (2). A signer may file the petition or remonstrance, or a copy of the petition or remonstrance. All copies constituting a petition or remonstrance must be filed on the same day.

(4) The clerk of the circuit court in the county in which the township is located shall do the following:

(A) If a name appears more than one (1) time on a petition or on a remonstrance, the clerk must strike any duplicates of the name until the name appears only one (1) time on a petition or a remonstrance, or both, if the individual signed both a petition and a remonstrance.

(B) Strike the name from either the petition or the remonstrance of an individual who:

(i) signed both the petition and the remonstrance; and

(ii) personally, in the clerk's office, makes a voluntary written and signed request for the clerk to strike the individual's name from the petition or the remonstrance.

(C) Certify the number of signatures on the petition and on any remonstrance that:

(i) are not duplicates; and

(ii) represent individuals who are registered voters in the township or the part of the township on the day the individuals signed the petition or remonstrance.

The clerk of the circuit court may only strike an individual's name from a petition or a remonstrance as set forth in clauses (A) and (B).

(d) The clerk of the circuit court shall complete the certification required under subsection (c) not more than fifteen (15) days after the petition or remonstrance is filed. The clerk shall:

(1) establish a record of certification in the clerk's office; and

(2) file the original petition, the original remonstrance, if any, and a copy of the clerk's certification with the legislative body.

SECTION 19. **An emergency is declared for this act.**

(Reference is to ESB 369 as printed March 24, 2015.)

PETE MILLER	ZENT
BREAUX	NIEZGODSKI
Senate Conferees	House Conferees

Roll Call 560: yeas 92, nays 5. Report adopted.

Representatives Behning and Wolkins, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT
EHB 1542–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1542 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 7.1-1-3-13.5, AS AMENDED BY P.L.40-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 13.5. "Conviction for operating while intoxicated" means a conviction (as defined in IC 9-13-2-38):

(1) in Indiana for

~~(A)~~ ~~an alcohol related or drug related crime under Acts 1939, c.48, s.52, as amended, IC 9-4-1-54 (repealed September 1, 1983), IC 9-11-2 (repealed July 1, 1991), or IC 14-1-5 (repealed July 1, 1995); or~~

~~(B)~~ a crime under IC 9-30-5-1 through IC 9-30-5-9, ~~IC 35-46-9,~~ **IC 35-46-9-6,** or IC 14-15-8 (before its repeal); or

(2) in any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a crime described in IC 9-30-5-1 through IC 9-30-5-9, IC 35-46-9-6, or IC 14-15-8-8 (before its repeal).

SECTION 2. IC 7.1-2-3-20 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 20. The commission shall have the power to prohibit or regulate, by rule or regulation, the sale of alcoholic beverages within this state when the sale is being carried on in violation of IC 24-3-1 (repealed).~~

SECTION 3. IC 7.1-3-1-3, AS AMENDED BY P.L.224-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) A permit of any type issued by the commission, except as provided in subsections (b) and (f) or unless otherwise provided in this title, shall be in force for one (1) calendar year only, including the day upon which it is granted. At the end of the one (1) year period the permit shall be fully expired and null and void.

(b) Notwithstanding subsection (a), a permit that is subject to section 5.5 or 5.6 of this chapter is effective for two (2) calendar years, including the day upon which the permit is granted. However, a local board may recommend to the commission that the permit be issued or renewed for only a one (1) year period. The commission may issue or renew a permit for the period recommended by the local board.

(c) A permittee who is granted a two (2) year permit under subsection (b) or subsection (f) is liable for any annual fees assessed by the commission. The annual fee is due on the annual anniversary date upon which the permit was granted.

(d) If the commission grants a two (2) year permit, the commission may ask a local board to hold a hearing to reconsider the duration of a permittee's permit. A hearing held under this subsection is subject to section 5.5 or 5.6 of this chapter. A local board shall hold the hearing requested by the commission within thirty (30) days before the permittee's next annual anniversary date and forward a recommendation to the commission following the hearing.

(e) If a permittee is granted a permit for more than one (1) year, the commission shall require the permittee to file annually with the commission the information required for an annual permit renewal.

(f) Notwithstanding subsection (a), the following are effective for two (2) calendar years, including the day upon which the permit is granted:

(1) A beer wholesaler's permit issued under IC 7.1-3-3-1.

(2) A wine wholesaler's permit issued under IC 7.1-3-13-1.

(3) A liquor wholesaler's permit issued under IC 7.1-3-8-1.

(g) Except as provided in subsection (h), the commission shall timely process a permittee's application for renewal of a permit unless the permittee receives a notice of a violation from the office of the prosecutor created under IC 7.1-2-2-1.

(h) The commission may timely process an application for renewal of a permit filed by a permittee that receives notice of a violation as described in subsection (g) if the chairman or the chairman's designee authorizes the application for renewal of the permit to be timely processed.

(i) Except as provided in subsection (k), a permittee may file an application for renewal of a permit not later than one (1) year after the date the permit expires.

(j) Except as provided in subsection (k), if a permittee does not file an application for renewal of a permit within one (1) year as provided in subsection (i), the permit reverts to the commission. At least thirty (30) days before the date that a permit reverts to the commission, the commission shall provide written notice to the permittee informing the permittee of the date that the permittee's permit will revert to the commission.

(k) Subject to subsection (l), a permittee may file an application for renewal of a permit more than one (1) year after the date the permit expires if, not later than one (1) year after the date the permit expires, the permittee obtains approval from the chairman or the chairman's designee for an extension to file the application for renewal.

(l) The chairman may allow the permittee to renew the permit more than one (1) year after the date the permit expires only if the permittee provides evidence that the permittee is engaged in an administrative or court proceeding that prevents the permittee from renewing the permit.

(m) A permit is effective upon the final approval of the commission. Upon final approval of a permit, and upon the request of the permittee, the commission shall provide the permittee with a letter of authority to operate. The letter of authority to operate constitutes authorization for the permittee to perform the actions allowed under the permit

until the date the permittee receives the permit issued by the commission.

SECTION 4. IC 7.1-3-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. ~~Applications for Permits: Disclosures.~~ **(a) Except as provided in subsection (b),** an application for a permit to sell alcoholic beverages of any kind, and the required publication of notice, shall disclose the name of the applicant and the specific address where the alcoholic beverages are to be sold, and any assumed business name under which the business will be conducted. The application and notice also shall disclose the names and addresses of the president and secretary of the corporation, club, association or organization who will be responsible to the public for the sale of the alcoholic beverage if the applicant is a corporation, club, association, or other type of organization.

(b) An application for a permit may be processed by the commission while the location of the permit premises is pending, upon a showing of need by the permit applicant. Any permit issued by the commission while the location of the permit premises is pending shall be placed immediately into escrow upon approval of the permit by the commission. If a permit issued by the commission is placed into escrow under this subsection, the applicant must go before the local board for approval of the applicant. Before making a permit in escrow active, the permittee must go before the local board for approval of the location.

SECTION 5. IC 7.1-3-1-18, AS AMENDED BY P.L.224-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. (a) ~~Whenever, under the provisions of this title,~~ **Except as provided in subsections (d) and (e), if** publication of notice of application for a permit is required **under this title,** the publication shall be made in one (1) newspaper of general circulation published in the county where the permit is to be in effect.

(b) Publication required ~~by this section~~ **under subsection (a)** may be made in any newspaper of general circulation published one (1) or more times each week.

(c) The rates which shall be paid for the advertising of a notice required under this title shall be those required to be paid in case of other notices published for or on behalf of the state.

(d) The commission may publish notice of application for a:

(1) three-way permit for a restaurant described in IC 7.1-3-20-12(4); or

(2) seasonal permit granted under IC 7.1-3-20-22;

by posting the notice on the commission's Internet web site.

(e) If:

(1) the commission is unable to procure advertising of a notice as required under subsection (a) at the rates set forth in IC 5-3-1; or

(2) the newspaper published in the county as described in subsection (a) refuses to publish the notice;

the commission may, instead of publication in a newspaper as required under subsection (a), require the designated member of the local board of the county to post printed notices in three (3) prominent locations in the county.

SECTION 6. IC 7.1-3-1-29 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 29. (a) For purposes of this section, "health facility" does not include an intermediate care facility for the mentally retarded.**

(b) As used in this section, "senior residence facility" means a:

(1) health facility licensed under IC 16-28; or

(2) housing with services establishment (as defined in IC 12-10-15-3).

(c) For purposes of this section, "senior residence facility campus" means a senior residence facility and the property on which a senior residence facility is located.

(d) A senior residence facility may, without a permit issued under this title, possess and give or furnish an alcoholic beverage, by the bottle or by the glass, on the premises of the senior residence facility campus for consumption on the premises to any of the following:

(1) A resident who:

(A) is not a minor; and

(B) resides on the premises of the senior residence facility.

(2) A guest or family member of a resident described in subdivision (1) who:

(A) is not a minor; and

(B) is visiting the resident at the senior residence facility.

(e) Subject to subsection (f), this section may not be construed to authorize a senior residence facility to sell alcoholic beverages on the premises of the senior residence facility campus without a permit under this title.

(f) For purposes of this section, a senior residence facility that:

(1) charges a:

(A) room and board fee to residents of the senior residence facility; or

(B) fee for organizing activities for:

(i) residents of the senior residence facility; and

(ii) guests or family members of the residents;

(2) uses a portion of a fee described in subdivision (1) to:

(A) purchase alcoholic beverages; and

(B) furnish the alcoholic beverages to individuals described in subsection (d); and

(3) does not purchase and furnish the alcoholic beverages for profit;

is not considered to be selling alcoholic beverages.

SECTION 7. IC 7.1-3-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. **(a)** Subject to sections 3.5 and 3.6 of this chapter, the commission may issue a temporary beer permit without publication of notice or investigation before a local board to a qualified person as provided in this chapter. In all other respects, a temporary beer permit shall be issued, revoked, and governed by the restrictions and limitations made in a provisional order or rule or regulation of the commission.

(b) The commission shall issue a temporary beer permit to an applicant if:

(1) the applicant submits an application for a temporary beer permit to the commission not later than five (5) business days before the event for which the permit is requested; and

(2) the applicant meets all requirements for a temporary beer permit.

(c) If authorized by the chairman or the chairman's designee, and at the commission's discretion, a temporary beer permit may be issued to an applicant that:

(1) submits an application for the temporary beer permit to the commission later than five (5) business days before the event for which the temporary beer permit is requested; and

(2) meets all requirements for a temporary beer permit.

SECTION 8. IC 7.1-3-9.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) The holder of a supplemental caterer's permit shall notify the commission in writing ~~fifteen (15) days~~ **not later than forty-eight (48) hours** in advance of each function that the permittee intends to cater with alcoholic beverages. The commission may waive the ~~fifteen (15) day~~ **forty-eight (48) hour** notice period required under this subsection, **if authorized by the chairman or the chairman's designee,** but may not waive the requirement for filing notice.

(b) The notice shall include the following:

(1) The date, time, and location of the function to be catered.

(2) If the function is open to the public, located in a county having a population of less than one hundred fifty thousand (150,000), and located in a different county from the county where the permittee holds the three-way permit required under section 1 of this chapter, the signature of the following official on a document stating the official's approval of the catering of alcoholic beverages at the proposed date, time, and location:

(A) The president of the town council, if the location is in a town.

(B) The mayor, if the location is in a city.

(C) The president of the board of county commissioners, if the location is in unincorporated territory.

(c) If a permittee complies with all notice requirements of subsection (b), the commission in its absolute discretion has the authority, any other provision of this title to the contrary notwithstanding, to approve the proposed date and location of the function to be catered.

(d) The commission need not notify the permittee if the commission approved the proposed date and location, and the permittee may proceed as stated in the permittee's notice to the commission. The commission shall notify the permittee by certified United States mail, in advance of the function, if the commission does not approve the proposed date or location.

(e) A permittee whose proposed date or location has been disapproved by the commission still may cater the function on that date and at that location, but the permittee may not cater alcoholic beverages at that function on that date and at that location.

SECTION 9. IC 7.1-3-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. **(a)** Subject to section 5.5 of this chapter, the commission may issue a temporary wine permit without publication of notice or investigation before a local board to a qualified person as provided in this chapter. In all other respects, a temporary wine permit shall be issued, revoked, and governed by the restrictions and limitations made in a provisional order or rule or regulation of the commission.

(b) The commission shall issue a temporary wine permit to an applicant if:

(1) the applicant submits an application for a temporary wine permit to the commission not later than five (5) business days before the event for which the permit is requested; and

(2) the applicant meets all requirements for a temporary wine permit.

(c) If authorized by the chairman or the chairman's designee, and at the commission's discretion, a temporary wine permit may be issued to an applicant that:

(1) submits an application for the temporary wine permit to the commission later than five (5) business days before the event for which the temporary wine permit is requested; and

(2) meets all requirements for a temporary wine permit.

SECTION 10. IC 7.1-3-18-9, AS AMENDED BY P.L.165-2006, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) The commission may issue an employee's permit to a person who desires to act as:

(1) a clerk in a package liquor store;

(2) an employee who serves wine at a farm winery; or

(3) a bartender, waiter, waitress, or manager in a retail establishment, excepting dining car and boat employees.

(b) A permit authorized by this section is conditioned upon the compliance by the holder with reasonable rules relating to the permit which the commission may prescribe from time to time.

(c) A permit issued under this section entitles its holder to work for any lawful employer. However, a person may work without an employee's permit for thirty (30) days from the date shown on a receipt for a cashier's check or money order payable to the commission for that person's employee's permit application.

(d) A person who, for a package liquor store or retail establishment, is:

(1) the sole proprietor;

(2) a partner, a general partner, or a limited partner in a partnership or limited partnership that owns the business establishment;

(3) a member of a limited liability company that owns the business establishment; or

(4) a stockholder in a corporation that owns the business establishment;

is not required to obtain an employee's permit in order to perform any of the acts listed in subsection (a).

(e) An applicant may declare on the application form that the applicant will use the employee's permit only to perform volunteer service that benefits a nonprofit organization. It is unlawful for an applicant who makes a declaration under this subsection to use an employee's permit for any purpose other than to perform volunteer service that benefits a nonprofit organization.

(f) The commission may not issue an employee's permit to an applicant while the applicant is serving a sentence for a conviction for operating while intoxicated, including any term of probation or parole.

(g) The commission may not issue an employee's permit to an applicant who has two (2) unrelated convictions for operating while intoxicated if:

(1) the first conviction occurred less than ten (10) years before the date of the applicant's application for the permit; and

(2) the applicant completed the sentence for the second conviction, including any term of probation or parole, less than two (2) years before the date of the applicant's application for the permit.

(h) If an applicant for an employee's permit has at least three (3) unrelated convictions for operating while intoxicated in the ten (10) years immediately preceding the date of the applicant's application for the permit, the commission may not grant the issuance of the permit. If, in the ten (10) years immediately preceding the date of the applicant's application the applicant has:

(1) one (1) conviction for operating while intoxicated, and the applicant is not subject to subsection (f); or

(2) two (2) unrelated convictions for operating while intoxicated, and the applicant is not subject to subsection (f) or (g);

the commission may grant or deny the issuance of a permit.

(i) **Except as provided under section 9.5 of this chapter,** the commission shall revoke a permit issued to an employee under this section if:

(1) the employee is convicted of a Class B misdemeanor for violating IC 7.1-5-10-15(a); or

(2) the employee is convicted of operating while intoxicated after the issuance of the permit.

The commission may revoke a permit issued to an employee under this section for any violation of this title or the rules adopted by the commission.

SECTION 11. IC 7.1-3-18-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 9.5. (a) This section applies only to an employee who:**

(1) holds an employee's permit issued under section 9 of this chapter;

(2) is convicted of operating while intoxicated;

(3) does not have a prior conviction for operating while intoxicated; and

(4) was at least twenty-one (21) years of age at the time the employee committed the offense of operating while

intoxicated for which the employee was convicted.

(b) The commission shall send to the most recent mailing address that the commission has on file a written notice to an employee that the employee's permit will be revoked six (6) months after the date of sentencing for the conviction of operating while intoxicated unless the employee submits to the commission, on a form prescribed by the commission, information verifying that the employee has completed an appropriate substance abuse treatment or education program that was provided by a provider certified by the division of mental health and addiction.

(c) If an employee fails to submit the information as required under subsection (b) within six (6) months from the date of the sentencing, the commission shall revoke the employee's permit.

SECTION 12. IC 7.1-3-19-5, AS AMENDED BY P.L.94-2008, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. The commission shall cause one (1) notice of the pending investigation to be published ~~in a newspaper~~ in accordance with the provisions of IC 7.1-3-1-18. The publication of the notice shall be at least ~~fifteen (15)~~ **five (5)** days before the investigation.

SECTION 13. IC 7.1-3-20-2.5 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 2.5. (a) This section applies to each holder of a permit issued under section 2, 3, or 4 of this chapter.~~

~~(b) A permit holder may sell alcoholic beverages under the terms of the permit on any twelve (12) Sundays during a calendar year.~~

~~(c) Sales under this section may be made only for on-premises consumption.~~

SECTION 14. IC 7.1-3-20-8.6, AS AMENDED BY P.L.216-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8.6. ~~(a)~~ The holder of a club permit may do the following:

(1) Designate **one (1) day each calendar week** as **a** "guest day". ~~or "guest days":~~

~~(A) three (3) or fewer days in a month; or~~

~~(B) nine (9) or fewer consecutive days in a quarter.~~

(2) Keep a record of all designated guest days.

(3) Invite guests who are not members of the club to attend the club on a guest day.

(4) Sell or give alcoholic beverages to guests for consumption on the permit premises on a guest day.

(5) Keep a guest book listing members and their nonmember guests, except on a designated guest day.

~~(b) This subsection applies to a club that furnishes alcoholic beverages on not more than two (2) days in each week. Notwithstanding subsection (a)(1), the holder of a club permit to which this subsection applies may designate twenty-four (24) guest days in each calendar year rather than one (1) guest day in each month.~~

SECTION 15. IC 7.1-3-21-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) As used in this section, "wall" means a wall of a building. The term does not include a boundary wall.

(b) Except as provided in ~~subsection~~ **subsections** (c) **and (g),** the commission ~~shall~~ **may** not issue a permit for a premises if a wall of the premises is situated within two hundred (200) feet from a wall of a school or church, if no permit has been issued for the premises under the provisions of Acts 1933, Chapter 80.

(c) This section does not apply to **the** premises ~~if:~~ **of a:**

(1) ~~the premises of a~~ grocery store, ~~or~~ drug store, **restaurant, hotel, catering hall, or location for which the use of a supplemental catering permit has been approved** if:

(A) a wall of the premises is situated within two hundred (200) feet from a wall of a church or school;

(B) the commission receives ~~the~~ **a** written statement ~~of~~ **from** the authorized representative of the church or school stating expressly that the church or school does not object to the issuance of the permit for the premises; and

(C) the commission determines that the church or school does not object to the issuance of the permit for the premises; or

(2) ~~a~~ church or school that applies for a temporary beer or wine permit.

(d) The commission shall base its determination under subsection (c)(1)(C) solely on the written statement of the authorized representative of the church or school.

(e) If the commission does not receive the written statement of the authorized representative of the church or school, the premises of the grocery store, ~~or~~ drug store, **restaurant, hotel, catering hall, or location for which the use of a supplemental catering permit has been approved** may not obtain the waiver allowed under this ~~subsection.~~ **section.**

(f) If the commission determines that the church or school does not object, this section and IC 7.1-3-21-10 do not apply to the permit premises of the grocery store, ~~or~~ drug store, **restaurant, hotel, or catering hall** on a subsequent renewal or transfer of ownership.

(g) If the commission:

(1) receives a written statement from the authorized representative of a church or school as described in subsection (c)(1)(B); and

(2) determines the church or school does not object as described in subsection (c)(1)(C);

the commission may not consider subsequent objections from the church or school to the issuance of the same permit type at the same premises location.

SECTION 16. IC 7.1-3-21-15, AS AMENDED BY P.L.293-2013(ts), SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 15. **(a) This section does not apply to an employee's permit under IC 7.1-3-18-9.**

~~(a)~~ **(b)** The commission shall not issue, renew, or transfer a wholesaler, retailer, dealer, or other permit of any type if the applicant:

(1) is seeking a renewal and the applicant has not paid all the property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9 that are due currently;

(2) is seeking a transfer and the applicant has not paid all the property taxes under IC 6-1.1 and innkeeper's tax under IC 6-9 for the assessment periods during which the transferor held the permit;

(3) is seeking a renewal or transfer and is at least thirty (30) days delinquent in remitting state gross retail taxes under IC 6-2.5 or withholding taxes required to be remitted under IC 6-3-4; or

(4) is on the most recent tax warrant list supplied to the commission by the department of state revenue.

~~(b)~~ **(c)** The commission shall issue, renew, or transfer a permit that the commission denied under subsection ~~(a)~~ **(b)** when the appropriate one (1) of the following occurs:

(1) The person, if seeking a renewal, provides to the commission a statement from the county treasurer of the county in which the property of the applicant was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 that were delinquent have been paid.

(2) The person, if seeking a transfer of ownership, provides to the commission a statement from the county treasurer of the county in which the property of the transferor was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 have been paid for the assessment periods during which the transferor held the permit.

(3) The person provides to the commission a statement

from the commissioner of the department of state revenue indicating that the person's tax warrant has been satisfied, including any delinquency in innkeeper's tax if the state collects the innkeeper's tax for the county in which the person seeks the permit.

(4) The commission receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

(5) The commission receives a notice from the commissioner of the department of state revenue stating that the state gross retail and withholding taxes described in subsection ~~(a)(3)~~ **(b)(3)** have been remitted to the department.

~~(c)~~ **(d)** An applicant may not be considered delinquent in the payment of listed taxes if the applicant has filed a proper protest under IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant shall be considered delinquent in the payment of those taxes if the applicant does not remit the taxes owed to the state department of revenue after the later of the following:

(1) The expiration of the period in which the applicant may appeal the listed tax to the tax court, in the case of an applicant who does not file a timely appeal of the listed tax.

(2) When a decision of the tax court concerning the applicant's appeal of the listed tax becomes final, in the case of an applicant who files a timely appeal of the listed tax.

~~(d)~~ **(e)** The commission may require that an applicant for the issuance, renewal, or transfer of a wholesaler's, retailer's, or dealer's, or other permit of any type furnish proof of the payment of a listed tax (as defined by IC 6-8.1-1-1), tax warrant, or taxes imposed by IC 6-1.1.

SECTION 17. IC 7.1-5-5-10, AS AMENDED BY P.L.159-2014, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) It is unlawful for a person who holds a retailer's or dealer's permit of any type to receive or accept from a manufacturer of alcoholic beverages, or from a permittee authorized to sell and deliver alcoholic beverages, a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, or lease, rehabilitation, decoration, improvement or repair of premises.

(b) A person who knowingly or intentionally violates this section commits a Class A misdemeanor. ~~However, the offense is a Level 6 felony if the value received or accepted is at least seven hundred fifty dollars ($750).~~

SECTION 18. IC 7.1-5-7-11, AS AMENDED BY P.L.10-2010, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:

(1) Civic center.
(2) Convention center.
(3) Sports arena.
(4) Bowling center.
(5) Bona fide club.
(6) Drug store.
(7) Grocery store.
(8) Boat.
(9) Dining car.
(10) Pullman car.
(11) Club car.
(12) Passenger airplane.
(13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
(14) Satellite facility (as defined in IC 4-31-2-20.5).
(15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
(16) That part of a ~~hotel or~~ restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
(17) Entertainment complex~~.~~
(18) Indoor golf facility.
(19) A recreational facility such as a golf course, bowling center, or similar facility that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
(20) A licensed premises owned or operated by a postsecondary educational institution described in IC 21-17-6-1.
(21) An automobile racetrack.
(22) An indoor theater under IC 7.1-3-20-26.
(23) A senior residence facility campus (as defined in IC 7.1-3-1-29(c)) at which alcoholic beverages are given or furnished as provided under IC 7.1-3-1-29.
(24) A hotel other than a part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink.

(b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed premises in a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:

(1) The minor is eighteen (18) years of age or older.
(2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.
(3) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic beverages.

SECTION 19. IC 7.1-5-10-1, AS AMENDED BY P.L.159-2014, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) Except as provided in subsection (c), it is unlawful to sell alcoholic beverages at ~~the following times:~~

~~(1)~~ ~~At~~ a time other than that made lawful by the provisions of IC 7.1-3-1-14.

~~(2) On Christmas Day and until 7:00 o'clock in the morning, prevailing local time, the following day~~.

(b) During the time when the sale of alcoholic beverages is unlawful, no alcoholic beverages shall be sold, dispensed, given away, or otherwise disposed of on the licensed premises and the licensed premises shall remain closed to the extent that the nature of the business carried on at the premises, as at a hotel or restaurant, permits.

(c) It is lawful for the holder of a valid beer, wine, or liquor wholesaler's permit to sell to the holder of a valid retailer's or dealer's permit at any time.

(d) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 20. IC 7.1-5-10-24 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 24. (a) This section does not apply to the licensed premises of a drug store, grocery store, or restaurant to which the following apply:**

(1) A person has, as of July 1, 2015, an application on file with the commission for a:
(A) dealer's permit for the drug store or grocery store; and
(B) retailer's permit for the restaurant.
(2) The licensed premises of the:
(A) drug store or grocery store; and
(B) restaurant;
as described in the permit applications, are located in the same building.

(b) If:
(1) a person has an interest in:
(A) a dealer's permit for a drug store or grocery store; and

(B) a retailer's permit for a restaurant; and

(2) the licensed premises of the drug store or grocery store and the restaurant are located in the same building;

the licensed premises of the drug store or grocery store and the licensed premises of the restaurant must be completely separated by a wall and have separate entrances.

SECTION 21. IC 7.1-5-10-25 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 25. If:**

(1) a person has an interest in:

(A) a dealer's permit for a drug store or grocery store; and

(B) a retailer's permit for a restaurant; and

(2) the licensed premises of the drug store or grocery store and the restaurant are located in the same building;

beer, wine, and liquor may not be sold for carryout from the licensed premises of the restaurant.

SECTION 22. IC 14-18-2-3, AS AMENDED BY SEA 515-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) As used in this section, "inn" means a public facility that has the following:

(1) At least twenty (20) rooms for the accommodation of overnight guests.

(2) A dining room that offers table service for at least forty (40) individuals at one (1) time during normal dining hours.

(b) A lease and contract authorized by this chapter must include in its terms the following provisions and conditions:

(1) The legal description of the leasehold. A survey for the description is not required.

(2) The term of the lease. The term may not exceed forty (40) years with two (2) additional options to renew of thirty (30) years each.

(3) Provision for the submission of complete plans and specifications to the department for review and written approval before beginning any construction.

(4) The manner of payment of rental.

(5) The facilities provided will be available to the public without discrimination and at charges designed to make the facilities available to a maximum number of the citizens of Indiana.

(6) That the rates and fees charged for goods and services on the leased area will be in accord with those charged at similar developments in the area.

(7) The disposition of the leasehold and improvements at the termination of the lease.

(8) Except as provided in subsections (c) and (e), if the lease and contract concerns state owned land under the management and control of the department, including state parks, a prohibition on the sale or public display of alcoholic beverages on the premises.

(c) A lease and contract authorized by this chapter may permit in its terms the retail sale of alcoholic beverages for consumption on the licensed premises of an inn if the lessee or concessionaire applies for and secures the necessary permits required by IC 7.1.

(d) A lease and contract authorized by this chapter may permit in its terms the retail sale of alcoholic beverages for consumption on the licensed premises of a public golf course if:

(1) the lease and contract concerns federally owned land that is:

(A) under the control and management of the department; and

(B) located on Brookville Reservoir; and

(2) the lessee or concessionaire applies for and secures the necessary permits required by IC 7.1.

(e) A lease and contract authorized by this chapter may permit in its terms the retail sale of alcoholic beverages for consumption on the licensed premises of:

(1) a pavilion located within Indiana Dunes State Park, and within one hundred (100) feet of the pavilion and the pavilion parking lot; **or**

(2) a marina located:

(A) within the Newton-Stewart State Recreational Area; and

(B) within Orange County;

if the lessee or concessionaire applies for and secures the necessary permits required by IC 7.1.

(f) The retail sale of alcoholic beverages on licensed premises described in subsections (c), (d), and (e) is subject to any other applicable alcoholic beverage provisions under the Indiana Code and any rule adopted to implement any other applicable alcoholic beverage provisions under the Indiana Code.

(g) A lease and contract may prescribe other terms and conditions that the department considers necessary and advisable to carry out the intent and purposes of this chapter.

SECTION 23. [EFFECTIVE UPON PASSAGE] **(a) 905 IAC 1-47-2(3) is void. The publisher of the Indiana Administrative Code and Indiana Register shall remove this provision from the Indiana Administrative Code.**

(b) This SECTION expires July 1, 2016.

SECTION 24. **An emergency is declared for this act.**

(Reference is to EHB 1542 as reprinted April 14, 2015.)

DERMODY	ALTING
GIAQUINTA	RANDOLPH
House Conferees	Senate Conferees

Roll Call 561: yeas 89, nays 10. Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 7:50 p.m. with the Speaker in the Chair.

Representatives Bauer, Borders, Goodin, Hamm, Moseley, Rhoads, M. Smith, Thompson, Wesco and Wolkins, who had been excused, are now present.

Representative Davisson, Dvorak and Forestal, who had been present, are now excused.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.1 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015; we further recommend that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 1.5 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1139-1 and 1637-1 and Engrossed Senate Bills 252-1 and 532-1.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.1 be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015, and that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 1.5 hours, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1139-1 and 1637-1 and Engrossed Senate Bills 252-1 and 532-1.

TORR, Chair

Motion prevailed.

CONFERENCE COMMITTEE REPORT
EHB 1139–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1139 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 2, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 3. IC 3-7-26.3-34, AS ADDED BY SEA 466-2015, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 34. Beginning not later than January 7, 2016, the secretary of state and the co-directors of the election division shall provide the information regarding:

(1) the location of polling places and vote center locations; and

(2) the:

(A) names of candidates who; **and**

(B) public questions that;

will appear on ballots in an election;

necessary for Indiana to participate in the Voting Information Project sponsored by The Pew Charitable Trusts.".

Page 4, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 8. IC 3-8-7-28, AS AMENDED BY SEA 466-2015, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 28. (a) Except as provided in subsections (b) and (c), if a nominee certified under this chapter, IC 3-8-5, IC 3-8-6, or IC 3-10-1 desires to withdraw as the nominee, the nominee must file a notice of withdrawal in writing with the public official with whom the certificate of nomination was filed by noon:

(1) ~~August~~ **July 15** before a general or municipal election;

(2) August 1 before a municipal election in a town subject to IC 3-8-5-10;

(3) on the date specified for town convention nominees under IC 3-8-5-14.5;

(4) on the date specified for declared write-in candidates under IC 3-8-2-2.7;

(5) on the date specified for a school board candidate under IC 3-8-2.5-4; or

(6) forty-five (45) days before a special election.

(b) A candidate who is disqualified from being a candidate under IC 3-8-1-5 must file a notice of withdrawal immediately upon becoming disqualified. IC 3-8-8-7 and the filing requirements of subsection (a) do not apply to a notice of withdrawal filed under this subsection.

(c) A candidate who has moved from the election district the candidate sought to represent must file a notice of withdrawal immediately after changing the candidate's residence. IC 3-8-8-7 and the filing requirements of subsection (a) do not apply to a notice of withdrawal filed under this subsection.".

Page 15, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 34. IC 3-14-1-17, AS AMENDED BY SEA 466-2015, SECTION 157, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17. (a) As used in this section, "government employee" refers to any of the following:

(1) An employee of the state.

(2) An employee of a political subdivision.

(3) A special state appointee (as defined in IC 4-2-6-1).

(4) An employee of a charter school (as defined in IC 20-24-1-4).

(b) As used in this section, "government employer" refers to the state or a political subdivision.

(c) As used in this section, "property" refers only to the following:

(1) Equipment, goods, and materials, including mail and messaging systems.

(2) Money.

(d) A government employee may not knowingly or intentionally use the property of the employee's government employer to do any of the following:

(1) Solicit a contribution.

(2) Advocate the election or defeat of a candidate.

(3) Advocate the approval or defeat of a public question.

(e) A government employee may not knowingly or intentionally distribute ~~or display~~ campaign materials advocating:

(1) the election or defeat of a candidate; or

(2) the approval or defeat of a public question;

on the government employer's real property during regular working hours.

(f) This section does not prohibit the following:

(1) Activities permitted under IC 6-1.1-20.

(2) A government employee from carrying out administrative duties under the direction of an elected official who is the government employee's supervisor.

(g) A government employee who knowingly or intentionally performs several actions described in subsection (d) or (e) in a connected series that are closely related in time, place, and circumstance may be charged with only one (1) violation of this section for that connected series of actions.

(h) A government employee who violates this section commits a Class A misdemeanor. However, the offense is a Level 6 felony if the person has a prior unrelated conviction under this section.".

Page 16, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 40. IC 24-5-14-5, AS AMENDED BY SEA 466-2015, SECTION 165, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) This section does not apply to any of the following messages:

(1) Messages from school districts to students, parents, or employees.

(2) Messages to subscribers with whom the caller has a current business or personal relationship. ~~or~~

(3) Messages advising employees of work schedules.

~~(4) Messages to voters from a county election board (established by IC 3-6-5-1), a county board of elections and registration (established by IC 3-6-5.2-3 or IC 3-6-5.4-3), or a county voter registration office (as defined in IC 3-5-2-16.2).~~

(b) A caller may not use or connect to a telephone line an automatic dialing-announcing device unless:

(1) the subscriber has knowingly or voluntarily requested, consented to, permitted, or authorized receipt of the message; or

(2) the message is immediately preceded by a live operator who obtains the subscriber's consent before the message is delivered.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1139 as printed March 17, 2015.)

RICHARDSON	WALKER
BARTLETT	LANANE
House Conferees	Senate Conferees

Roll Call 562: yeas 96, nays 0. Report adopted.

Representatives Davisson, Dvorak and Forestal, who had been excused, are now present.

Representative Huston, McMillin and Slager, who had been present, are now excused.

CONFERENCE COMMITTEE REPORT
EHB 1637–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1637 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-23-17.2-3, AS ADDED BY P.L.179-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) The governing body of the school corporation consists of nine (9) members who shall be elected as follows:

(1) One (1) member shall be elected from each of the school districts described in section 4 of this chapter. A member elected under this subdivision must reside within the boundaries of the district the member represents.

(2) Three (3) members, who must reside within the boundaries of the school corporation, shall be elected as at-large members.

(3) All members shall be elected on a nonpartisan basis.

(4) All members shall be elected at the general election held in the county in 2012. ~~and each four (4) years thereafter.~~

(b) Upon assuming office and in conducting the business of the governing body, a member shall represent the interests of the entire school corporation.

(c) This section expires January 1, 2017.

SECTION 2. IC 20-23-17.2-3.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 3.1. (a) After December 31, 2016, the governing body of the school corporation consists of five (5) members, elected as provided in this chapter.**

(b) Three (3) members shall be elected as follows:

(1) From districts established as provided in section 4.1 of this chapter.

(2) On a nonpartisan basis.

(3) At the general election held in the county in 2016 and every four (4) years thereafter.

(c) Two (2) members shall be elected as follows:

(1) At large by all the voters of the school corporation.

(2) On a nonpartisan basis.

(3) At the general election held in the county in 2016 and every four (4) years thereafter.

(d) The term of office of a member of the governing body:

(1) is four (4) years; and

(2) begins January 1 after the election of members of the governing body.

(e) Upon assuming office and in conducting the business of the governing body, a member shall represent the interests of the entire school corporation.

SECTION 3. IC 20-23-17.2-3.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 3.2. (a) Notwithstanding section 10 of this chapter, as in effect before July 1, 2015, and as amended after June 30, 2015, if:**

(1) a vacancy occurs in the office of a member of the governing body after June 30, 2015; and

(2) the vacancy does not reduce the membership of the governing body to fewer than five (5) members;

the vacancy shall not be filled.

(b) This section expires January 1, 2017.

SECTION 4. IC 20-23-17.2-4, AS ADDED BY P.L.179-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. **(a)** The boundaries of the districts from which members of the governing body of the school corporation are elected under section 3(a)(1) of this chapter are the same as the boundaries of the common council districts of the city that are drawn under IC 36-4-6.

(b) This section expires January 1, 2017.

SECTION 5. IC 20-23-17.2-4.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 4.1. (a) As used in this section, "council district" refers to a district of the city legislative body:**

(1) established under IC 36-4-6-3; and

(2) as in effect on January 1, 2015.

(b) The districts from which a member of the governing body is elected under section 3.1(b) of this chapter are as follows:

(1) School corporation district 1 consists of the territory formed by council district 1 and council district 2.

(2) School corporation district 2 consists of the territory formed by council district 3 and council district 4.

(3) School corporation district 3 consists of the territory formed by council district 5 and council district 6.

SECTION 6. IC 20-23-17.2-5, AS AMENDED BY P.L.219-2013, SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) The following apply to an election of members of the governing body of the school corporation under section ~~3(a)(1)~~ **3.1(b)** of this chapter:

(1) Each candidate must file a petition of nomination with the circuit court clerk not earlier than one hundred four (104) days and not later than seventy-four (74) days before the general election at which members are to be elected. The petition of nomination must include the following information:

(A) The name of the candidate.

(B) The candidate's residence address and the district in which the candidate resides.

(C) The signatures of at least twenty (20) registered voters residing within the school corporation district the candidate seeks to represent.

(D) A certification that the candidate meets the qualifications for candidacy imposed by this chapter.

(E) The school corporation district that the candidate seeks to represent.

(2) Only eligible voters residing in the school corporation district **as provided in section 4.1 of this chapter** may vote for a candidate to represent that **school corporation** district.

(3) One (1) candidate shall be elected for each **school corporation** district **provided by section 4.1 of this chapter.** The candidate elected for a **school corporation** district must reside within the boundaries of the **school corporation** district. The candidate elected as the member for a particular **school corporation** district is the candidate who, among all the candidates who reside within that **school corporation** district, receives the greatest number of votes from voters residing in that **school corporation** district.

(b) The following apply to an election of the members of the governing body of the school corporation under section ~~3(a)(2)~~ **3.1(c)** of this chapter:

(1) Each candidate must file a petition of nomination with the circuit court clerk not earlier than one hundred four (104) days and not later than seventy-four (74) days before the general election at which members are to be elected. The petition of nomination must include the following information:

(A) The name of the candidate.

(B) The candidate's residence address.

(C) The signatures of at least one hundred (100) registered voters residing within the school corporation.

(D) A certification that the candidate meets the qualifications for candidacy imposed by this chapter.

(E) The fact that the candidate seeks to be elected from the school corporation at large.

(2) Only eligible voters residing in the school corporation may vote for a candidate.

(3) ~~Three (3)~~ **Two (2)** candidates shall be elected at large. The ~~three (3)~~ **two (2)** candidates who receive the greatest number of votes among all candidates running for an at-large seat are elected as members of the governing body.

SECTION 7. IC 20-23-17.2-6, AS ADDED BY P.L.179-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. Voters who reside within the boundaries of the school corporation may vote for the candidates elected under section ~~3~~ **3.1** of this chapter. Each voter may vote only for **the following:**

(1) One (1) candidate to represent the district in which the voter resides. ~~and~~

(2) ~~three (3)~~ **Two (2)** at-large candidates.

SECTION 8. IC 20-23-17.2-8 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 8. (a) The term of each person elected to serve on the governing body of the school corporation is four (4) years.~~

~~(b) The term of each person elected to serve on the governing body begins on the date set in the school corporation's organization plan. The date set in the organization plan for an elected member of the governing body to take office may not be more than fourteen (14) months after the date of the member's election. If the school corporation's organization plan does not set a date for an elected member of the governing body to take office, the member takes office January 1 immediately following the person's election.~~

SECTION 9. IC 20-23-17.2-9, AS ADDED BY P.L.179-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. The members of the governing body of the school corporation shall be elected at the general election to be held in ~~2012~~ **2016** and every four (4) years thereafter.

SECTION 10. IC 20-30-5-20, AS ADDED BY P.L.139-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) As used in this section, "psychomotor skills" means skills using hands on practice to support cognitive learning.

(b) Except as provided in subsection (e), each school corporation and accredited nonpublic school shall include in the school corporation's or accredited nonpublic school's high school health education curriculum instruction in cardiopulmonary resuscitation and use of an automated external defibrillator for its students. The instruction must incorporate the psychomotor skills necessary to perform cardiopulmonary resuscitation and use an automated external defibrillator and must include either of the following:

(1) An instructional program developed by the American Heart Association or the American Red Cross.

(2) An instructional program that is nationally recognized and is based on the most current national evidence based emergency cardiovascular care guidelines for cardiopulmonary resuscitation and the use of an automated external defibrillator.

(c) A school corporation or an accredited nonpublic school may offer the instruction required in subsection (b) or may arrange for the instruction to be provided by available community based providers. The instruction is not required to be provided by a teacher. If instruction is provided by a teacher, the teacher is not required to be a certified trainer of cardiopulmonary resuscitation.

(d) This section shall not be construed to require a student to become certified in cardiopulmonary resuscitation and the use of an automated external defibrillator. However, if a school corporation or accredited nonpublic school chooses to offer a course that results in certification being earned, the course must be taught by an instructor authorized to provide the instruction by the American Heart Association, the American Red Cross, or a similar nationally recognized association.

(e) A school administrator may waive the requirement that a student receive instruction under subsection (b) if the student has a disability or is physically unable to perform the psychomotor skill component of the instruction required under subsection (b).

(f) If a school is unable to comply with the psychomotor skill component of the instruction required under subsection (b), the governing body may submit a request to the state superintendent to waive the psychomotor skill component. The state superintendent shall take action on the waiver request within thirty (30) days of receiving the request for a waiver. A waiver request must:

(1) be in writing;

(2) include the reason or reasons that necessitated the waiver request;

(3) indicate the extent to which the school attempted to comply with the requirements under subsection (b); and

(4) be submitted each year for the school year the school requests the waiver.

This subsection expires July 1, 2015.

SECTION 11. IC 20-31-3-4, AS AMENDED BY P.L.286-2013, SECTION 100, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. The state superintendent shall appoint an academic standards committee composed of subject area teachers, **higher education representatives with subject matter expertise,** and parents during the period when a subject area is undergoing revision.

SECTION 12. IC 20-32-9-1, AS ADDED BY P.L.268-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. ~~Not later than July 1, 2013,~~ The state board, in consultation with the:

(1) education roundtable established under IC 20-19-4-2;

(2) commission for higher education established under IC 21-18-2-1;

(3) department of workforce development established under IC 22-4.1-2-1; and

(4) department;

shall develop guidelines **and thresholds** to assist secondary schools in identifying a student who is likely to require remedial work at a postsecondary educational institution or workforce training program if the student subsequently attends ~~a~~ **an Indiana** postsecondary educational institution or workforce training program upon graduation.

SECTION 13. IC 20-32-9-2, AS ADDED BY P.L.268-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. The guidelines **and thresholds** established in section 1 of this chapter:

~~(1) must include indicators to assist school personnel in determining whether a student may be in need of supplemental instruction or remediation to minimize the student's need for remedial course work at a postsecondary educational institution or workforce training program;~~

~~(2)~~ **(1)** must provide standards and guidelines for secondary school personnel to determine when a student is required to be assessed under section 3 of this chapter, including guidelines that include:

(A) criteria and thresholds that must be based upon:

(i) the student's results or score on a state assessment; and

(ii) the student's results or score on a national assessment of college and career readiness, with thresholds determined by the commission for higher education and the department in consultation with the state educational institutions, or the student's qualifying grades, which for purposes of this section are a "B" or higher, in advanced placement, international baccalaureate, or dual credit courses;

~~(A)~~ **(B)** a description of the school official who may make a determination **based on the criteria** to assess a student under section 3 of this chapter; and

~~(B)~~ **(C)** thresholds for determining whether a student who takes an examination under section 3 of this chapter requires additional remediation or additional instruction **that are determined based on a common score for placement into an entry level, transferable course in English or mathematics as determined by the commission for higher education in consultation with the state educational institutions;** and

~~(3)~~ **(2)** ~~may provide best practices and strategies for improving services and support provided by a school~~ **must provide information on strategies and resources that schools can use** to assist a student in achieving the level of academic performance that is appropriate for the student's grade level to:

(A) reduce the likelihood that a student will fail a graduation exam and require a graduation waiver under IC 20-32-4-4 or IC 20-32-4-5; or

(B) minimize the necessity for postsecondary remedial course work by the student.

SECTION 14. IC 20-32-9-3, AS ADDED BY P.L.268-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) If the appropriate secondary school official determines, using the ~~indicators~~ **criteria and thresholds** established in section 2 of this chapter, that a student ~~before the spring semester, or the equivalent, in grade 11:~~

~~(1) has failed a graduation exam and may require a graduation waiver under IC 20-32-4-4 or IC 20-32-4-5; or~~

~~(2)~~ will likely require remedial work at a postsecondary educational institution or workforce training program,

the appropriate secondary school official shall require the student to take a college and career readiness exam approved by the state board in consultation with the department, the commission for higher education established under IC 21-18-2-1, the education roundtable established under IC 20-19-4-2, and the department of workforce development under IC 22-4.1-2-1 **at least one (1) time before the student begins the spring semester, or the equivalent, in grade 11.** The cost of the exam shall be paid by the department.

(b) If a student is required to take an exam under subsection (a), the appropriate school official shall make a determination based on the guidelines **and thresholds** established in section 2 of this chapter as to whether the student is in need of additional instruction or remedial action with respect to a particular subject matter covered in the exam. If the appropriate school official determines that a student who takes an exam under subsection (a) is in need of remediation or supplemental instruction to prevent the need for remediation at a postsecondary educational institution or workforce development program, the appropriate school official shall inform the student's parent:

(1) of the likelihood that the student will require remedial course work;

(2) of the potential financial impact on the student or the parent for the additional remedial course work described in subdivision (1), including that the student may not be eligible to receive state scholarships, grants, or assistance administered by the commission for higher education; and

(3) of the additional time that may be required to earn a degree;

while the student attends a postsecondary educational institution or workforce development program. The appropriate secondary school official may establish a remediation or supplemental instruction plan with the student's parent.

(c) Before a student determined to need additional instruction or remedial action under subsection (b) with respect to a particular subject matter may enroll in a dual credit course under IC 21-43 in the same subject matter or a related subject matter, the student may receive additional instruction or remedial course work and must retake the examination described in subsection (a). If the appropriate school official determines that the student no longer requires additional instruction or remedial action under the guidelines established under section 2 of this chapter after retaking the exam under this section, the student may enroll in a dual credit course under IC 21-43. The cost of the administration of the exam under this subsection **and subsection (d)** shall be paid by the department.

(d) A student who takes an exam under subsection (a) and is identified as being in need of remediation or supplemental instruction shall retake the college and career readiness exam during grade 12 after a remediation or supplemental instruction plan is completed.

(e) Upon implementation of a grade 10 assessment aligned with college and career readiness educational standards adopted by the state board under IC 20-19-2-14.5, the department shall report to the state board and the general assembly in an electronic format under IC 5-14-6 as to the feasibility of using the grade 10 assessment as the initial identifier for determining the remediation needs of students. This subsection expires January 1, 2020.

SECTION 15. IC 20-33-2-13, AS AMENDED BY P.L.43-2014, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 13. (a) A school corporation shall record or include the following information in the official high school transcript for a student in high school:

(1) Attendance records.

(2) The student's latest ISTEP program test results under IC 20-32-5.

(3) Any secondary level and postsecondary level certificates of achievement earned by the student.

(4) Immunization information from the immunization record the student's school keeps under IC 20-34-4-1.

(5) Any dual credit courses taken that are included in the core transfer library under IC 21-42-5-4.

~~(6) The student's latest PSAT program test results.~~

(b) A school corporation may include information on a student's high school transcript that is in addition to the requirements of subsection (a).

SECTION 16. IC 20-34-7-6, AS ADDED BY P.L.34-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) As used in this section, "football" does not include flag football.

(b) ~~Beginning July 1, 2014,~~ Prior to coaching football to individuals who are less than twenty (20) years of age **and are in grades 1 through 12,** each head football coach and assistant football coach shall complete a certified coaching education course that:

(1) is sport specific;

(2) contains player safety content, including content on:

(A) concussion awareness;

(B) equipment fitting;

(C) heat emergency preparedness; and

(D) proper technique;

(3) requires a coach to complete a test demonstrating comprehension of the content of the course; and

(4) awards a certificate of completion to a coach who successfully completes the course.

(c) For a coach's completion of a course to satisfy the requirement imposed by subsection (b), the course must have been approved by the department.

(d) A coach shall complete a course not less than once during a two (2) year period. However, if the coach receives notice from the organizing entity that new information has been added to the course before the end of the two (2) year period, the coach must:

(1) complete instruction; and

(2) successfully complete a test;

concerning the new information to satisfy the requirement imposed by subsection (b).

(e) An organizing entity shall maintain a file of certificates of completion awarded under subsection (b)(4) to any of the organizing entity's head coaches and assistant coaches.

(f) A coach who complies with this section and provides coaching services in good faith is not personally liable for damages in a civil action as a result of a concussion or head injury incurred by an athlete participating in an athletic activity in which the coach provided coaching services, except for an act or omission by the coach that constitutes gross negligence or willful or wanton misconduct.

SECTION 17. **An emergency is declared for this act.**

(Reference is to EHB 1637 as reprinted April 8, 2015.)

BEHNING	MILLER, PETE
SMITH, V.	STOOPS
House Conferees	Senate Conferees

Roll Call 563: yeas 97, nays 0. Report adopted.

Representative Slager, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
ESB 532–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 532 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning law enforcement.

Page 2, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 2. IC 7.1-3-23-20.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 20.5. (a) As used in this section, "adult entertainment" means adult oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment.**

(b) This section applies to the holder of a retailer's permit that provides adult entertainment on the licensed premises.

(c) The holder of a retailer's permit that provides adult entertainment on the licensed premises shall do the following:

(1) Require a performer who provides adult entertainment on the licensed premises to provide proof of age by two (2) forms of government issued identification, including a:

(A) state issued driver's license;

(B) state issued identification card; or

(C) passport;

showing the performer to be at least eighteen (18) years of age.

(2) Require a performer who provides adult entertainment on the licensed premises to provide proof of legal residency in the United States by means of:

(A) a birth certificate;

(B) a Social Security card;

(C) a passport;

(D) valid documentary evidence described in IC 9-24-9-2.5; or

(E) other valid documentary evidence issued by the United States demonstrating that the performer is entitled to reside in the United States.

(3) Take a photograph of each adult entertainer who auditions to provide adult entertainment at the licensed premises at the time of the audition and retain the photograph for at least three (3) years after:

(A) the date of the audition; or

(B) the last day on which the performer provides adult entertainment at the licensed premises;

whichever is later. A photograph taken under this subdivision must show the adult entertainer's facial features.

(4) Require all performers and other employees of the retail permit holder to sign a document approved by the commission to acknowledge their awareness of the problem of human trafficking.

(5) Display human trafficking awareness posters in at least two (2) of the following locations on the licensed premises:

(A) The office of the manager of the licensed premises.

(B) The locker room used by performers or other employees.

(C) The break room used by performers or other employees.

Posters displayed under this subdivision must describe human trafficking, state indicators of human trafficking (such as restricted freedom of movement and signs of physical abuse), set forth hotline telephone numbers for law enforcement, and be approved by the commission.

(6) Cooperate with any law enforcement investigation concerning allegations of a violation of this section.

(d) The commission may revoke, suspend, or refuse to renew the permit issued for the licensed premises if the holder fails to comply with subsection (c).

(e) In determining whether to revoke, suspend, or refuse to renew the permit issued for a licensed premises under subsection (d), the commission may consider:

(1) the extent to which the permit holder has cooperated with any law enforcement investigation as required by subsection (c)(6); and

(2) whether the permit holder has provided training to performers who provide adult entertainment at the permit holder's licensed premises and other employees of the licensed premises through a program that:

(A) is designed to increase the awareness of human trafficking and assist victims of human trafficking; and

(B) has been approved by:

(i) a department of the United States government; or

(ii) a nationwide association made up of operators who run adult entertainment establishments.".

Renumber all SECTIONS consecutively.

(Reference is to ESB 532 as printed March 20, 2015.)

HEAD	MCNAMARA
TALLIAN	HALE
Senate Conferees	House Conferees

Roll Call 564: yeas 97, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 252–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed

House Amendments to Engrossed Senate Bill 252 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-31-2-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 17.5. "Promotional action" means any action or expenditure of the commission for the purpose of developing the horse racing industry throughout Indiana, including the payment of any administrative costs incurred by the commission to promote the horse racing industry in Indiana.**

SECTION 2. IC 4-31-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. **(a)** Each member of the commission is entitled to the minimum salary per diem ~~provided by IC 4-10-11-2.1(b).~~ **for each day the member is engaged in official business.**

(b) The minimum salary per diem that each member of the commission is entitled to receive equals the maximum daily amount allowed to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in Indianapolis.

(c) Each member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the budget agency.

SECTION 3. IC 4-31-3-8, AS AMENDED BY P.L.210-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. The commission shall:

(1) prescribe the rules and conditions under which horse racing at a recognized meeting may be conducted;

(2) initiate safeguards as necessary to account for the amount of money wagered at each track or satellite facility in each wagering pool;

(3) require all permit holders to provide a photographic or videotape recording, approved by the commission, of the entire running of all races conducted by the permit holder;

(4) make annual reports concerning:

(A) the promotional actions taken and promotional initiatives established by the commission to promote the Indiana horse racing industry, including:

(i) a listing of the commission's promotional actions and promotional initiatives; and

(ii) an accounting of the money spent on each promotional action and promotional initiative;

~~(A)~~ **(B)** the competitive status of the Indiana horse racing industry as compared to the horse racing industries of other states and measured by purse, handle, and any other factors determined by the commission;

~~(B)~~ **(C)** the commission's operations; and

~~(C)~~ **(D)** the commission's recommendations;

to the governor and, in an electronic format under IC 5-14-6, to the general assembly;

(5) carry out the provisions of IC 15-19-2, after considering recommendations received from the Indiana standardbred advisory board under IC 15-19-2;

(6) develop internal procedures for accepting, recording, investigating, and resolving complaints from licensees and the general public; ~~and~~

(7) promote the Indiana horse racing industry, including its simulcast product; and

~~(7)~~ **(8)** annually post the following information on the commission's Internet web site:

(A) A summary of the disciplinary actions taken by the commission in the preceding calendar year.

(B) A summary of the complaints received and resolved in the preceding calendar year.

SECTION 4. IC 4-31-5-9, AS AMENDED BY P.L.233-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) The commission shall determine the dates and (if the commission adopts a rule under subsection (c)) the number of racing days authorized under each recognized meeting permit. Except for racing at winterized tracks, a recognized meeting may not be conducted after December 10 of a calendar year.

(b) Except as provided in subsection (c), the commission shall require at least ~~one~~ **two** hundred ~~forty (140)~~ **eighty (280)** but not more than ~~one~~ **three** hundred ~~sixty-five (165)~~ **thirty (330) total** live racing days each calendar year ~~at the racetrack designated in a permit holder's permit,~~ **combined at both racetracks,** as follows:

(1) At least ~~eighty (80)~~ **one hundred sixty (160)** but not more than ~~ninety (90)~~ **one hundred eighty (180)** live racing days must be for standardbreds **to race at Hoosier Park.**

(2) At least ~~sixty (60)~~ **one hundred twenty (120)** but not more than ~~seventy-five (75)~~ **one hundred fifty (150)** live racing days must be for horses that are:

(A) mounted by jockeys; and

(B) run on a course without jumps or obstacles;

to race at Indiana Grand.

The requirements of this subsection are a continuing condition for maintaining the permit holder's permit. However, the requirements do not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or another event over which the permit holder has no control.

(c) The commission may by rule adjust any of the following:

(1) The total required number of live racing days under subsection (b).

(2) The number of live racing days required under subsection (b)(1).

(3) The number of live racing days required under subsection (b)(2).

(d) A permit holder may not conduct more than fourteen (14) races on a particular racing day.

SECTION 5. IC 4-31-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. **(a)** Each development committee consists of three (3) members appointed ~~by the governor.~~ **as follows:**

(1) One (1) member appointed by the governor, who shall chair the committee.

(2) One (1) member appointed by the permit holder of the track where the breed of horse races.

(3) One (1) member appointed by the horsemen's association that is approved for funding by the Indiana horse racing commission and representing owners.

(b) The members of each development committee must be residents of Indiana who are knowledgeable in horse breeding and racing and must include one (1) member who is an owner and one (1) member who is a breeder. No more than two (2) members of each development committee may be members of the same political party.

(c) If more than one (1) horsemen's association for a breed represents owners, the associations must agree on the associations' appointment described in subsection (a)(3) to the development committee.

SECTION 6. IC 4-31-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. **Except as provided in section 5.5 of this chapter,** a member of a development committee serves a term of four (4) years. If a vacancy occurs on a development committee ~~the governor shall appoint~~ **due to the death, resignation, or removal of a member,** a new member **shall be appointed** to serve for the

remainder of the unexpired term **in the same manner as the original member was appointed under section 4 of this chapter.**

SECTION 7. IC 4-31-11-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 5.5. (a) This section applies to a member of a breed development committee appointed before July 1, 2015.**

(b) When a vacancy occurs on a breed development committee under this chapter for any reason, a new member shall be appointed in the following manner:

(1) The first appointment shall be made by the permit holder of the track where the breed of horse races.

(2) The second appointment shall be made by the horsemen's association described in section 4(a)(3) of this chapter.

(3) The third appointment shall be made by the governor.

(c) This section expires June 30, 2019.

SECTION 8. IC 4-31-11-15, AS AMENDED BY P.L.229-2011, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 15. **(a)** The commission shall use the development funds to provide purses and other funding for the activities described in section 9 of this chapter. The commission may pay:

(1) the operating costs of the development programs; ~~and~~

(2) other costs of administering this chapter; **and**

(3) costs incurred to promote the horse racing industry in Indiana;

from one (1) or more of the development funds. However, the amount used for each state fiscal year from these development funds to pay these costs may not exceed ~~two~~ **four** percent ~~(2%)~~ **(4%)** of the amount distributed to those funds during the immediately preceding state fiscal year under IC 4-35-7-12.

(b) The total amount of money used for each state fiscal year to pay promotional costs described in subsection (a)(3) may not exceed fifty percent (50%) of the total amount of money available under subsection (a) to pay the operating, administrative, and promotional costs described in subsection (a).

SECTION 9. IC 4-35-7-12, AS AMENDED BY P.L.210-2013, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) The Indiana horse racing commission shall enforce the requirements of this section.

(b) A licensee shall before the fifteenth day of each month distribute the following amounts for the support of the Indiana horse racing industry:

(1) An amount equal to fifteen percent (15%) of the adjusted gross receipts of the slot machine wagering from the previous month at each casino operated by the licensee with respect to adjusted gross receipts received after June 30, 2013, and before January 1, 2014.

(2) The percentage of the adjusted gross receipts of the slot machine wagering from the previous month at each casino operated by the licensee that is determined under section 16 or 17 of this chapter with respect to adjusted gross receipts received after December 31, 2013.

(c) The Indiana horse racing commission may not use any of the money distributed under this section for any administrative purpose or other purpose of the Indiana horse racing commission.

(d) A licensee shall distribute the money devoted to horse racing purses and to horsemen's associations under this subsection as follows:

(1) Five-tenths percent (0.5%) shall be transferred to horsemen's associations for equine promotion or welfare according to the ratios specified in subsection (g).

(2) Two and five-tenths percent (2.5%) shall be transferred to horsemen's associations for backside benevolence according to the ratios specified in subsection (g).

(3) Ninety-seven percent (97%) shall be distributed to promote horses and horse racing as provided in subsection (f).

(e) A horsemen's association shall expend the amounts distributed to the horsemen's association under subsection (d)(1) through (d)(2) for a purpose promoting the equine industry or equine welfare or for a benevolent purpose that the horsemen's association determines is in the best interests of horse racing in Indiana for the breed represented by the horsemen's association. Expenditures under this subsection are subject to the regulatory requirements of subsection (h).

(f) A licensee shall distribute the amounts described in subsection (d)(3) as follows:

(1) Forty-six percent (46%) for thoroughbred purposes as follows:

(A) ~~Sixty~~ **Fifty-five** percent ~~(60%)~~ **(55%)** for the following purposes:

(i) Ninety-seven percent (97%) for thoroughbred purses.

(ii) Two and four-tenths percent (2.4%) to the horsemen's association representing thoroughbred owners and trainers.

(iii) Six-tenths percent (0.6%) to the horsemen's association representing thoroughbred owners and breeders.

(B) ~~Forty~~ **Forty-five** percent ~~(40%)~~ **(45%)** to the breed development fund established for thoroughbreds under IC 4-31-11-10.

(2) Forty-six percent (46%) for standardbred purposes as follows:

(A) Three hundred seventy-five thousand dollars ($375,000) to the state fair commission to be used by the state fair commission to support standardbred racing and facilities at the state fairgrounds.

(B) One hundred twenty-five thousand dollars ($125,000) to the state fair commission to be used by the state fair commission to make grants to county fairs to support standardbred racing and facilities at county fair tracks. The state fair commission shall establish a review committee to include the standardbred association board, the Indiana horse racing commission, and the Indiana county fair association to make recommendations to the state fair commission on grants under this clause.

(C) Fifty percent (50%) of the amount remaining after the distributions under clauses (A) and (B) for the following purposes:

(i) Ninety-six and five-tenths percent (96.5%) for standardbred purses.

(ii) Three and five-tenths percent (3.5%) to the horsemen's association representing standardbred owners and trainers.

(D) Fifty percent (50%) of the amount remaining after the distributions under clauses (A) and (B) to the breed development fund established for standardbreds under IC 4-31-11-10.

(3) Eight percent (8%) for quarter horse purposes as follows:

(A) Seventy percent (70%) for the following purposes:

(i) Ninety-five percent (95%) for quarter horse purses.

(ii) Five percent (5%) to the horsemen's association representing quarter horse owners and trainers.

(B) Thirty percent (30%) to the breed development fund established for quarter horses under IC 4-31-11-10.

Expenditures under this subsection are subject to the regulatory requirements of subsection (h).

(g) Money distributed under subsection (d)(1) and (d)(2) shall be allocated as follows:

(1) Forty-six percent (46%) to the horsemen's association representing thoroughbred owners and trainers.

(2) Forty-six percent (46%) to the horsemen's association representing standardbred owners and trainers.

(3) Eight percent (8%) to the horsemen's association representing quarter horse owners and trainers.

(h) Money distributed under this section may not be expended unless the expenditure is for a purpose authorized in this section and is either for a purpose promoting the equine industry or equine welfare or is for a benevolent purpose that is in the best interests of horse racing in Indiana or the necessary expenditures for the operations of the horsemen's association required to implement and fulfill the purposes of this section. The Indiana horse racing commission may review any expenditure of money distributed under this section to ensure that the requirements of this section are satisfied. The Indiana horse racing commission shall adopt rules concerning the review and oversight of money distributed under this section and shall adopt rules concerning the enforcement of this section. The following apply to a horsemen's association receiving a distribution of money under this section:

(1) The horsemen's association must annually file a report with the Indiana horse racing commission concerning the use of the money by the horsemen's association. The report must include information as required by the commission.

(2) The horsemen's association must register with the Indiana horse racing commission.

The state board of accounts shall annually audit the accounts, books, and records of the Indiana horse racing commission, each horsemen's association, a licensee, and any association for backside benevolence containing any information relating to the distribution of money under this section.

(i) The commission shall provide the Indiana horse racing commission with the information necessary to enforce this section.

(j) The Indiana horse racing commission shall investigate any complaint that a licensee has failed to comply with the horse racing purse requirements set forth in this section. If, after notice and a hearing, the Indiana horse racing commission finds that a licensee has failed to comply with the purse requirements set forth in this section, the Indiana horse racing commission may:

(1) issue a warning to the licensee;

(2) impose a civil penalty that may not exceed one million dollars ($1,000,000); or

(3) suspend a meeting permit issued under IC 4-31-5 to conduct a pari-mutuel wagering horse racing meeting in Indiana.

(k) A civil penalty collected under this section must be deposited in the state general fund.

(Reference is to ESB 252 as printed March 20, 2015.)

KENLEY	EBERHART
LANANE	GOODIN
Senate Conferees	House Conferees

Roll Call 565: yeas 91, nays 6. Report adopted.

RESOLUTIONS ON FIRST READING

House Resolution 81

Representative Cherry introduced House Resolution 81:

A HOUSE RESOLUTION urging the legislative council to assign to the appropriate study committee the topic of the sales and use tax deduction for certain bad debt.

Whereas, Under the state gross retail and use tax, a retail merchant is entitled to deduct certain amounts in determining the amount of state gross retail and use taxes the retail merchant must remit to the state;

Whereas, A retail merchant is entitled to deduct from the retail merchant's gross retail income an amount equal to the retail merchant's receivables attributable to uncollectible debt;

Whereas, Retail merchants that issue a charge card, credit card, or account that carries, refers to, or is branded with the name or logo of the retail merchant that can be used for purchases from the retail merchant whose name or logo appears on the card or account or for purchases from any of the retail merchant's affiliates or franchisees are not allowed a deduction for uncollectible debt in the same manner as other uncollectible debt;

Whereas, A method for determining uncollectible debt related to private label credit cards is necessary to accurately determine the amount of the deduction; and

Whereas, The method used for the deduction should include requirements that all credit sale transaction amounts outstanding in an account at the time the account is charged off are included, that the retail merchant maintain adequate books, records, or other documentation supporting the charge off of the accounts, and that the retail merchant include any amount deducted but subsequently collected as part of the retail merchant's gross retail income for the reporting period in which the retail merchant or lender makes the collection: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the legislative council is urged to assign to the appropriate study committee the topic of the sales and use tax deduction for certain bad debt.

The resolution was read a first time and referred to the Committee on Rules and Legislative Procedures.

House Resolution 82

Representative Kirchhofer introduced House Resolution 82:

A HOUSE RESOLUTION recognizing the Faith United Methodist Church.

Whereas, The Faith United Methodist Church lives out its United Methodist mission of "making disciples of Jesus Christ for the transformation of the world" in a variety of ways;

Whereas, The church provides services to the east side community through participation in a neighboring church's food pantry and other food and clothing programs in the city;

Whereas, The church and its members reach out to national and international places of need through support of schools and hospitals in Oklahoma and the Democratic Republic of the Congo; and

Whereas, The Indiana House of Representatives acknowledges the spiritual guidance and moral strength provided by the Faith United Methodist Church to its members: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives congratulates the Faith United Methodist Church on the occasion of the 50th anniversary at its present location.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the Faith United Methodist Church.

The resolution was read a first time and adopted by voice vote.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 10:15 p.m. with the Speaker in the Chair.

Representative Huston, who had been excused, is now present.

Representatives Bauer, Eberhart, Gutwein, McMillin, Summers and Ziemke, who had been present, are now excused.

RESOLUTIONS ON FIRST READING

Senate Concurrent Resolution 54

The Speaker handed down Senate Concurrent Resolution 54, sponsored by Representatives Dermody and Eberhart:

A CONCURRENT RESOLUTION urging Congress to amend federal law to give the State of Indiana greater authority over tribal gaming activities within its borders.

Whereas, State and local units of government generally have limited jurisdiction over the activities that occur on Indian lands, including gaming, due to the sovereign status of federally recognized Indian tribes;

Whereas, Article 1, Section 8 of the United States Constitution states, "Congress shall have the power to regulate Commerce with foreign nations and among the several states, and with Indian tribes," which provides Congress with the authority to pass laws pertaining to the commercial activities engaged in by Indian tribes;

Whereas, In 1988, Congress accordingly enacted the National Indian Gaming Regulatory Act in an effort to provide balance between Indian tribes' rights of self-determination and self-governance, and states' interest in gaming activities that occur within their borders;

Whereas, Congress has since provided some states with greater authority to authorize tribal gaming on Indian lands within their borders than the authority generally outlined in the National Indian Gaming Regulatory Act of 1988; and

Whereas, Congress has the ability to provide Indiana with similar authority concerning the authorization of tribal gaming on lands within the State of Indiana's borders: Therefore,

Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly urges Congress to amend Title 25 of the United States Code to provide that reservations and restored Indian lands within Indiana are not eligible for tribal gaming under the National Indian Gaming Regulatory Act of 1988.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this Resolution to Governor Michael R. Pence and Indiana's Congressional Delegation.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 56

The Speaker handed down Senate Concurrent Resolution 56, sponsored by Representative DeLaney:

A CONCURRENT RESOLUTION memorializing Thomas E. Fruechtenicht and honoring him for his many years of public service to the State of Indiana.

Whereas, Thomas E. Fruechtenicht, a lifelong Hoosier, dedicated his life to public service here in Indiana;

Whereas, On April 10, 2015, Tom passed away at the age of 75 after a courageous battle with cancer;

Whereas, Born in Fort Wayne, Indiana, on April 8, 1940, Tom attended South Side High School where he lettered in track, excelled at football, and was a distinguished member of the National Honor Society;

Whereas, Following high school, Tom enrolled at Indiana University Bloomington where he obtained a bachelor's degree in Business Administration in 1962;

Whereas, While at Indiana University, Tom was an officer in the Sigma Nu fraternity, an active member of the professional business fraternity Alpha Kappa Psi, and rode twice in the Little 500 bike race;

Whereas, In 1965, Tom graduated from the Indiana University School of Law with his juris doctor;

Whereas, Tom began practicing law in Fort Wayne and was named Justice of the Peace for Wayne Township, Allen County, where he served for four years, and was subsequently appointed to the Allen County prosecutor's association where he served in the juvenile and felony divisions for two years;

Whereas, In 1972, Tom was elected to the Indiana State House of Representatives and was re-elected for four consecutive terms;

Whereas, As an Indiana State Representative, Tom was elected House Minority Caucus Chairman, served as Chairman of the House Public Policy Committee, and was a member of both the Courts & Criminal Code and Judiciary committees;

Whereas, Tom was admired on both sides of the aisle for his honesty, integrity, and ability to get things done;

Whereas, After serving 10 years as a State Representative, in 1983 Tom formed a new law firm with former State Senator William Soards and John Barnett, Jr., and began working in government relations as a registered lobbyist;

Whereas, During this time, Tom represented numerous clients before the Indiana General Assembly and various administrative agencies, including large corporations, small privately owned companies, and non-profit associations;

Whereas, In 2004, Tom joined Bose Public Affairs Group as Senior Vice President and in-house counsel specializing in legislative affairs, retiring in 2011;

Whereas, Tom was a member of the Indiana State Bar Association where he served as Chairman of the Young Lawyer's section and as a member of the Board of Managers;

Whereas, Tom was also a member of the Indianapolis and American Bar Associations, a Master Fellow of the Indiana Bar Foundation, and a member of the Governmental Affairs Society of Indiana, Indiana Athletic Club, Columbia Club, Indiana Historical Society, and the Indianapolis Museum of Art;

Whereas, Governor Evan Bayh awarded Tom the Sagamore of the Wabash, the highest civilian honor offered by the Governor of Indiana;

Whereas, Tom was always a steadfast and loyal friend who cared deeply for people and went out of his way to lend a helping hand, seeking nothing in return;

Whereas, Tom is survived by his wife of 33 years, Jane Fruechtenicht; his daughter Beth and son Robert; step-children Stewart, Brian, Scot, Matthew, Gregg, Shondell, and AJ; and his grandchildren Caitlin, Stewart, Kaitlin, K.C., Maddie, Katie, Caroline, Chandler, Regina, Mary Grace, Samantha, Meredith, Elizabeth, Brigitte, Cole, and Olivia; and his nieces and nephews, all of whom he loved dearly;

Whereas, Tom is predeceased by his parents Walter and Clara Fruechtenicht, and his sister Carole Meikle; and

Whereas, It is fitting that the Indiana General Assembly gives special recognition to Tom's lifelong commitment and substantial contributions to the State of Indiana: Therefore,

Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly memorializes Thomas E. Fruechtenicht and honors him for his many years of public service to the State of Indiana.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this Resolution to Jane Fruechtenicht; Robert Fruechtenicht; Beth Aney; Stew, Brian, Scot, Matthew, Gregg, and AJ Brase; and Shondell Patterson.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.1 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015; we further recommend that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action: Engrossed Senate Bill 463-1.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.1 be suspended so that the following conference committee reports are eligible for consideration after April 15, 2015, and that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action: Engrossed Senate Bill 463-1.

TORR, Chair

Motion prevailed.

CONFERENCE COMMITTEE REPORT
EHB 1110–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1110 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 3, delete lines 36 through 42, begin a new paragraph and insert:

"SECTION 5. IC 33-23-5-9, AS AMENDED BY SEA 137-2015, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) Except as provided under subsection (b), a magistrate shall report findings in an evidentiary hearing, a trial, or a jury's verdict to the court. The court shall enter the final order.

(b) If a magistrate presides at a criminal trial **or a guilty plea hearing,** the magistrate may do the following:

(1) Enter a final order.

(2) Conduct a sentencing hearing.

(3) Impose a sentence on a person convicted of a criminal offense.

(c) This subsection does not apply to a consolidated city. Unless the defendant consents, a magistrate who did not preside at the criminal trial may not preside at the sentencing hearing. However, this subsection does not prohibit a magistrate from presiding at a sentencing hearing if there was no trial.".

Page 4, delete lines 1 through 3.

Page 5, delete lines 32 through 42.

Page 6, delete lines 1 through 22.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1110 as reprinted April 14, 2015.)

STEUERWALD	STEELE
STEMLER	RANDOLPH
House Conferees	Senate Conferees

Roll Call 566: yeas 69, nays 23. Report adopted.

Representatives McMillin, Gutwein, and Ziemke, who had been excused, are now present.

Representative Kirchhofer, who had been present, is now excused.

CONFERENCE COMMITTEE REPORT
ESB 463–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 463 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 7.1-3-18.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) A person may not sell or otherwise distribute in exchange for consideration a tobacco product **or electronic cigarette** at retail without a valid tobacco sales certificate issued by the commission.

(b) A certificate may be issued only to a person who owns or operates at least one (1) of the following:

(1) A premises consisting of a permanent building or structure where the tobacco product **or electronic cigarette** is sold or distributed.

(2) A premises upon which a cigarette vending machine (as defined by IC 35-43-4-7) is located.

(c) The commission may not enforce an action under this section regarding electronic cigarettes until after August 31, 2015. This subsection expires December 31, 2016.

SECTION 2. IC 7.1-3-18.5-2, AS AMENDED BY P.L.94-2008, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) A person who desires a certificate must provide the following to the commission:

(1) The applicant's name and mailing address and the address of the premises for which the certificate is being issued.

(2) Except as provided in section 6(c) of this chapter, a fee of two hundred dollars ($200).

(3) The name under which the applicant transacts or intends to transact business.

(4) The address of the applicant's principal place of business or headquarters, if any.

(5) The statement required under section 2.6 of this chapter.

(b) A separate certificate is required for each location where the tobacco products **or electronic cigarettes** are sold or distributed.

(c) A certificate holder shall conspicuously display the holder's certificate on the holder's premises where the tobacco products **or electronic cigarettes** are sold or distributed.

(d) Any intentional misstatement or suppression of a material fact in an application filed under this section constitutes grounds for denial of the certificate.

(e) A certificate may be issued only to a person who meets the following requirements:

(1) If the person is an individual, the person must be at least eighteen (18) years of age.

(2) The person must be authorized to do business in Indiana.

(f) The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

SECTION 3. IC 7.1-3-18.5-6, AS AMENDED BY P.L.94-2008, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) If a certificate has:

(1) expired; or

(2) been suspended;

the commission may not reinstate or renew the certificate until all civil penalties imposed against the certificate holder for violating IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11.5, or IC 35-46-1-11.7 have been paid.

(b) The failure to pay a civil penalty described in subsection (a) is a Class B infraction.

(c) If a certificate has been revoked, the commission may not reinstate or renew the certificate for at least one hundred eighty (180) days after the date of revocation. The commission may reinstate or renew the certificate only upon a reasonable showing by the applicant that the applicant shall:

(1) exercise due diligence in the sale of tobacco products **or electronic cigarettes** on the applicant's premises where the tobacco products **or electronic cigarettes** are sold or distributed; and

(2) properly supervise and train the applicant's employees or agents in the handling and sale of tobacco products **or electronic cigarettes.**

If a certificate is reinstated or renewed, the applicant of the certificate shall pay an application fee of one thousand dollars ($1,000).

(d) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the youth tobacco education and enforcement fund established under IC 7.1-6-2-6.

SECTION 4. IC 7.1-3-18.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) A person who is required to have a certificate under this chapter and who sells or distributes tobacco products **or electronic cigarettes** without a valid certificate commits a Class A infraction. Each violation of this section constitutes a separate offense.

(b) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund established under IC 7.1-6-2-6.

SECTION 5. IC 7.1-3-18.5-8, AS ADDED BY P.L.94-2008, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. The commission may mitigate civil penalties imposed against a certificate holder for violating IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11.5, IC 35-46-1-11.7, or any of the provisions of this chapter if a certificate holder provides a training program for the certificate holder's employees that includes at least the following topics:

(1) Laws governing the sale of tobacco products **and electronic cigarettes.**

(2) Methods of recognizing and handling customers who are less than eighteen (18) years of age.

(3) Procedures for proper examination of identification cards to verify that customers are under eighteen (18) years of age.

SECTION 6. IC 7.1-3-18.5-9, AS ADDED BY P.L.94-2008, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. A certificate holder shall exercise due diligence in the supervision and training of the certificate holder's employees or agents in the handling and sale of tobacco products **and electronic cigarettes** on the holder's retail premises. Proof that employees or agents of the certificate holder, while in the scope of their employment, committed at least six (6) violations relating to IC 35-46-1-10.2(a) in any one hundred eighty (180) day period shall be prima facie evidence of a lack of due diligence by the certificate holder in the supervision and training of the certificate holder's employees or agents.

SECTION 7. IC 7.1-5-12-5, AS AMENDED BY P.L.70-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) Except as provided in subsection (c) and subject to section 13 of this chapter, smoking may be allowed in the following:

(1) A horse racing facility operated under a permit under IC 4-31-5 and any other permanent structure on land owned or leased by the owner of the facility that is adjacent to the facility.

(2) A riverboat (as defined in IC 4-33-2-17) and any other permanent structure that is:

(A) owned or leased by the owner of the riverboat; and

(B) located on land that is adjacent to:

(i) the dock to which the riverboat is moored; or

(ii) the land on which the riverboat is situated in the case of a riverboat described in IC 4-33-2-17(2).

(3) A facility that operates under a gambling game license under IC 4-35-5 and any other permanent structure on land owned or leased by the owner of the facility that is adjacent to the facility.

(4) A satellite facility licensed under IC 4-31-5.5.

(5) An establishment owned or leased by a business that meets the following requirements:

(A) The business was in business and permitted smoking on December 31, 2012.

(B) The business prohibits entry by an individual who is less than twenty-one (21) years of age.

(C) The owner or operator of the business holds a beer, liquor, or wine retailer's permit.

(D) The business limits smoking in the establishment to ~~either:~~

~~(i) cigar smoking; or~~

~~(ii)~~ smoking with a waterpipe or hookah device.

(E) During the preceding calendar year, at least ten percent (10%) of the business's annual gross income was from

~~(i) the sale of cigars and the rental of onsite humidors; or~~

~~(ii)~~ the sale of loose tobacco for use in a waterpipe or hookah device.

(F) The person in charge of the business posts in the establishment conspicuous signs that display the message that cigarette smoking is prohibited.

(6) An establishment owned or leased by a business that meets the following requirements:

(A) The business prohibits entry by an individual who is less than twenty-one (21) years of age.

(B) The owner or operator of the business holds a beer, liquor, or wine retailer's permit.

(C) The business limits smoking in the establishment to cigar smoking.

(D) During the preceding calendar year, at least ten percent (10%) of the business's annual gross income was from the sale of cigars and the rental of onsite humidors.

(E) The person in charge of the business posts in the

establishment conspicuous signs that display the message that cigarette smoking is prohibited.

~~(6)~~ **(7)** A premises owned or leased by and regularly used for the activities of a business that meets all of the following:

(A) The business is exempt from federal income taxation under 26 U.S.C. 501(c).

(B) The business:

(i) meets the requirements to be considered a club under IC 7.1-3-20-1; or

(ii) is a fraternal club (as defined in IC 7.1-3-20-7).

(C) The business provides food or alcoholic beverages only to its bona fide members and their guests.

~~(D) The business, during a meeting of the business's members, voted within the previous two (2) years to allow smoking on the premises.~~

~~(E)~~ **(D)** The business:

(i) provides a separate, enclosed, designated smoking room or area that is adequately ventilated to prevent migration of smoke to nonsmoking areas of the premises;

(ii) allows smoking only in the room or area described in item (i); ~~and~~

(iii) does not allow an individual who is less than eighteen (18) years of age to enter into the room or area described in item (i); **and**

(iv) allows a guest in the smoking room or area described in item (i) only when accompanied by a bona fide member of the business.

~~(7)~~ **(8)** A retail tobacco store used primarily for the sale of tobacco products and tobacco accessories that meets the following requirements:

(A) The owner or operator of the store ~~held~~ **holds** a valid tobacco sales certificate issued under IC 7.1-3-18.5. ~~on June 30, 2012.~~

(B) The store prohibits entry by an individual who is less than eighteen (18) years of age.

(C) The sale of products other than tobacco products and tobacco accessories is merely incidental.

(D) The sale of tobacco products accounts for at least eighty-five percent (85%) of the store's annual gross sales.

(E) Food or beverages are not sold in a manner that requires consumption on the premises, and there is not an area set aside for customers to consume food or beverages on the premises.

~~(8)~~ **(9)** A bar or tavern:

(A) for which a permittee holds:

(i) a beer retailer's permit under IC 7.1-3-4;

(ii) a liquor retailer's permit under IC 7.1-3-9; or

(iii) a wine retailer's permit under IC 7.1-3-14;

(B) that does not employ an individual who is less than eighteen (18) years of age;

(C) that does not allow an individual who:

(i) is less than twenty-one (21) years of age; and

(ii) is not an employee of the bar or tavern;

to enter any area of the bar or tavern; and

(D) that is not located in a business that would otherwise be subject to this chapter.

~~(9)~~ **(10)** A cigar manufacturing facility that does not offer retail sales.

~~(10)~~ **(11)** A premises of a cigar specialty store to which all of the following apply:

(A) The owner or operator of the store ~~held~~ **holds** a valid tobacco sales certificate issued under IC 7.1-3-18.5. ~~on June 30, 2012.~~

(B) The sale of tobacco products and tobacco accessories account for at least fifty percent (50%) of the store's annual gross sales.

(C) The store has a separate, enclosed, designated smoking room that is adequately ventilated to prevent migration of smoke to nonsmoking areas.

(D) Smoking is allowed only in the room described in clause (C).

(E) Individuals who are less than eighteen (18) years of age are prohibited from entering into the room described in clause (C).

(F) Cigarette smoking is not allowed on the premises of the store.

(G) The owner or operator of the store posts a conspicuous sign on the premises of the store that displays the message that cigarette smoking is prohibited.

(H) ~~Food or beverages are not sold in a manner that requires consumption on the premises, and there is not an area set aside for customers to consume food or beverages on the premises.~~ **The store does not prepare any food or beverage that would require a certified food handler under IC 16-42-5.2.**

~~(11)~~ **(12)** The premises of a business that is located in the business owner's private residence (as defined in IC 3-5-2-42.5) if the only employees of the business who work in the residence are the owner and other individuals who reside in the residence.

(b) The owner, operator, manager, or official in charge of an establishment or premises in which smoking is allowed under this section shall post conspicuous signs in the establishment that read "WARNING: Smoking Is Allowed In This Establishment" or other similar language.

(c) This section does not allow smoking in the following enclosed areas of an establishment or premises described in subsection (a)(1) through ~~(a)(10):~~ **(a)(11):**

(1) Any hallway, elevator, or other common area where an individual who is less than eighteen (18) years of age is permitted.

(2) Any room that is intended for use by an individual who is less than eighteen (18) years of age.

(d) The owner, operator, or manager of an establishment or premises that is listed under subsection (a) and that allows smoking shall provide a verified statement to the commission that states that the establishment or premises qualifies for the exemption. The commission may require the owner, operator, or manager of an establishment or premises to provide documentation or additional information concerning the exemption of the establishment or premises.

SECTION 8. IC 7.1-7-2-4, AS ADDED BY HEA 1432-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. "Clean room" refers to the part of an e-liquid manufacturing facility where:

(1) the mixing **and** bottling ~~and packaging~~ activities are conducted in secure and sanitary conditions in a space that is kept in repair sufficient to prevent e-liquid from becoming contaminated;

(2) equipment used in the manufacturing process is easily cleanable, as defined in 410 IAC 7-24-27(a), in such a way that it protects against contamination of e-liquid, e-liquid containers, or e-liquid packaging materials; and

(3) the cleaning and sanitizing of equipment is consistent with the Indiana standards for public health and cleanliness that apply to commercial kitchens in the state.

SECTION 9. IC 7.1-7-4-1, AS ADDED BY HEA 1432-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) A manufacturer of e-liquid shall obtain a permit from the commission before mixing, bottling, packaging, or selling e-liquid to retailers or distributors in Indiana.

(b) The commission shall accept initial applications and issue manufacturing permits until June 30, 2016.

(c) A manufacturing permit issued by the commission is valid for five (5) years.

(d) An initial application for a manufacturing permit must include the following:

(1) Plans for the construction and operation of the manufacturing facility that demonstrate that the facility design is:

(A) designed to include a clean room space where all mixing **and** bottling ~~and packaging~~ activities will occur; and

(B) capable of meeting all of the security requirements contained in this article.

(2) A service agreement that:

(A) the applicant has entered into with a security firm;

(B) is valid for a period of five (5) years after the date of the permit application;

(C) provides for the security firm to provide service and support to meet the security requirements established by this article;

(D) requires the security firm to certify that the manufacturer meets all requirements set forth in IC 7.1-7-4-6(10) through IC 7.1-7-4-6(15);

(E) prohibits the security firm from withholding its certification as described in clause (D) because the security equipment of the applicant is not sold by or proprietary to the security firm; and

(F) is renewable for the entire length of time that the applicant holds a permit issued by the commission.

(3) Verified documents satisfactory to the commission from the security firm demonstrating that the security firm meets the following requirements:

(A) The security firm has continuously employed not less than one (1) employee for not less than the previous one (1) year period who is accredited or certified by both:

(i) the Door and Hardware Institute as an Architectural Hardware Consultant; and

(ii) the International Door Association as a certified Rolling Steel Fire Door Technician.

(B) The security firm has at least one (1) year of commercial experience, in the preceding year, with the following:

(i) Video surveillance system design and installation with remote viewing capability from a secure facility.

(ii) Owning and operating a security monitoring station with ownership control and use of a redundant offsite backup security monitoring station.

(iii) Operating a facility that modifies commercial hollow metal doors, frames, and borrowed lights with authorization to apply the Underwriters Laboratories label.

(4) The name, telephone number, and address of the applicant.

(5) The name, telephone number, and address of the manufacturing facility.

(6) The projected output in liters per year of e-liquid of the manufacturing facility.

(7) The name, telephone number, title, and address of the person responsible for the manufacturing facility.

(8) Verification that the facility will comply with proper manufacturing processes.

(9) Written consent allowing the state police department to conduct a state or national criminal history background check on any person listed on the application.

(10) Written consent allowing the commission, after a permit is issued to the applicant, to enter during normal business hours the premises where the e-liquid is manufactured to conduct physical inspections, sample the product to ensure the e-liquid meets the requirements for e-liquid set forth in this article, and perform an audit.

(11) A nonrefundable initial application fee of one thousand dollars ($1,000).

(12) Any other information required by the commission for purposes of administering this article.

SECTION 10. IC 7.1-7-4-6, AS ADDED BY HEA 1432-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. **(a) As used in this section, "tamper evident package" means a package having at least one (1) indicator or barrier to entry that, if breached or missing, can reasonably be expected to provide visible evidence to consumers that tampering has occurred.**

(b) A manufacturing facility shall comply with the following requirements:

(1) An e-liquid container must use a child proof cap that has the child resistant effectiveness set forth in 16 CFR 1700.15(b)(1).

(2) An e-liquid container must ~~be secured using either ring seals or plastic wrap.~~ **use a tamper evident package. The tamper evident package feature must be designed to and remain intact when handled in a reasonable manner during the manufacture, distribution, and retail display of the e-liquid container.**

(3) The label on an e-liquid container must identify the active ingredients.

(4) The label must include a separate designation if the product contains nicotine.

(5) The label or container must include a:

(A) batch number; and

(B) means for the commission to obtain the manufacturing date.

(6) The label must include a scannable code, including a quick response code, tied to the batch number as prescribed by the commission.

(7) An e-liquid container must be distributed **by the manufacturer** and sold **by the manufacturer or the retailer by the earlier of either:**

(A) the expiration or "best if used by" date; or

(B) ~~within~~ two (2) years of the date of manufacture.

(8) The manufacturing facility must conduct all mixing **and** bottling ~~and packaging~~ activities in a clean room.

(9) The manufacturer must take reasonable steps to ensure that an unauthorized ingredient is not included in any e-liquid produced for sale in Indiana.

(10) The manufacturer must take reasonable steps to ensure that all ingredients used in the production of e-liquid are stored in a secure area accessible only by authorized personnel.

(11) The manufacturer shall have a remotely monitored security system at the facility in areas where e-liquid is mixed, bottled, packaged, and stored.

(12) The manufacturer shall have an exclusive high security key system that limits access to areas where e-liquid is mixed, bottled, packaged, and stored to authorized personnel only.

(13) The manufacturer's facility must be subject to twenty-four (24) hour video recording where e-liquid is mixed, bottled, packaged, and stored. The video recordings must be retained for at least thirty (30) days.

(14) The manufacturer must take reasonable steps to ensure that only authorized personnel have access to secured areas of the facility where e-liquid is mixed, bottled, and packaged.

(15) The manufacturer must store and maintain three (3) ten (10) milliliter sample bottles from each production batch of more than two (2) liters for a period of not less than three (3) years in a secure, limited access area with recorded video surveillance.

(16) The manufacturer must submit to random audits of the facility and the manufacturer's samples and records by the commission.

(17) The manufacturer must submit to random site visits by the commission.

(18) The manufacturer may:

(A) own and control both the e-liquid manufacturing process and the bottling process; or

(B) subcontract with another manufacturer for the performance of the e-liquid manufacturing service, the bottling services, or both services.

However, both the manufacturer performing a service under clause (B) and the manufacturer for which the service is performed must meet the requirements of this article.

(19) The manufacturer or any person listed on the permit application may not have been convicted of a felony or an offense involving a controlled substance.

SECTION 11. IC 24-3-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. **(a)** As used in this chapter, "units sold" means the number of individual cigarettes sold in Indiana by the applicable tobacco product manufacturer (whether directly or through a distributor, retailer, or similar intermediary or intermediaries) during the year in question. ~~as measured by excise taxes collected by the state on packs (or "roll-your-own" tobacco containers) bearing the excise tax stamp of the state.~~ The department of state revenue shall, in the manner provided by IC 4-22-2, adopt rules that are necessary to ascertain the ~~amount of state excise tax paid on the cigarettes~~ **number of units sold** of such tobacco product manufacturer for each year **regardless of whether the state excise tax was due or collected.**

(b) The term does not include cigarettes sold on federal military installations or that are otherwise exempt from state excise tax under federal law.

(c) For purposes of this section, concerning cigarettes for which the state cigarette or other tobacco product tax is paid, the cigarettes are considered as being sold in Indiana:

(1) upon the affixing of the state cigarette tax stamp; or

(2) for "roll your own" tobacco, when the state tax on other tobacco products is paid.

SECTION 12. IC 24-3-5.4-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. **(a)** The department and the commission shall disclose to the attorney general any information received under this chapter and requested by the attorney general for purposes of determining compliance with and enforcing this chapter. The department, the commission, and the attorney general:

(1) shall share with each other the information received under this chapter; and

(2) may share the information received under this chapter with other federal, state, or local agencies only for purposes of enforcing this chapter or a corresponding law in another state.

(b) Notwithstanding any other law:

(1) the department, the commission, or the attorney general may provide information received under section 17 of this chapter to a court, an arbitrator, or a data clearinghouse or similar entity:

(A) for the purposes of making calculations required by the master settlement agreement and related settlement agreements; and

(B) with counsel for the parties;

upon the execution of a protective order approved by the attorney general; and

(2) any tobacco sales data provided from an outside party and received under the master settlement agreement must be treated as confidential under IC 5-14-3-4(a)(4) and IC 5-14-3-4(a)(5).

SECTION 13. IC 24-3-7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 7. Nicotine Liquid Container Packaging

Sec. 1. This chapter does not apply to any product that:

(1) has been approved or certified by the United States Food and Drug Administration for sale:

(A) as a tobacco cessation product;

(B) as a tobacco dependence product; or

(C) for another medical purpose; and

(2) is marketed and sold for an approved purpose referred to in subdivision (1)(A) through (1)(C).

Sec. 2. As used in this chapter, "child resistant packaging" means packaging that:

(1) is designed or constructed so that it is significantly difficult for children less than five (5) years of age to:

(A) open the package; or

(B) obtain a toxic or harmful amount of substance from within the package;

within a reasonable time; but

(2) is not difficult for adults to use properly.

Sec. 3. As used in this chapter, "commission" refers to the alcohol and tobacco commission created by IC 7.1-2-1-1.

Sec. 4. As used in this chapter, "electronic cigarette" means a device that is capable of providing an inhalable dose of nicotine by delivering a vaporized solution. The term includes the components and cartridges of an electronic cigarette.

Sec. 5. (a) As used in this chapter, "electronic delivery device" means any product that:

(1) contains or delivers nicotine, lobelia, or any other substance intended for human consumption; and

(2) can be used by a person to simulate smoking in the delivery of nicotine, lobelia, or any other substance through inhalation of vapor from the product.

(b) The term includes any component part of a product described in subsection (a), whether or not the component part is marketed or sold separately.

Sec. 6. (a) As used in this chapter, "nicotine liquid container" means a bottle or other container that:

(1) contains a nicotine liquid or another substance containing nicotine; and

(2) is sold, marketed, or intended for use with an electronic cigarette or other electronic delivery device.

(b) The term does not include a container containing nicotine in a cartridge that is sold, marketed, or intended for use with an electronic cigarette if the cartridge:

(1) is prefilled and sealed by the manufacturer; and

(2) is not intended to be opened by the consumer.

Sec. 7. A person may not manufacture, sell, or distribute:

(1) a liquid or gel substance containing nicotine; or

(2) a nicotine liquid container;

unless the product is contained in child resistant packaging.

Sec. 8. (a) If the commission discovers any product sold or distributed in violation of this chapter, the commission may seize and take possession of the product. The commission shall destroy products seized under this subsection.

(b) The commission may impose a civil penalty on any person who sells or distributes a product in violation of this chapter. However, the civil penalty may not exceed the greater of:

(1) five hundred percent (500%) of the retail value of the product sold or distributed in violation of this chapter; or

(2) five thousand dollars ($5,000).

SECTION 14. [EFFECTIVE JULY 1, 2015] **(a) The general assembly urges the legislative council to assign the following topics to the public policy interim study committee during the 2015 interim:**

(1) Whether smoking should be prohibited in bars, casinos, and private clubs.

(2) The fiscal impact of prohibiting smoking in bars, casinos, and private clubs.

(3) Whether e-cigarettes should be:

(A) defined as tobacco products; and

(B) subject to smoking bans.

(4) E-cigarette taxation.

(5) The fiscal impact of an increase in the cigarette tax.
(6) Possible funding sources for tobacco use prevention and cessation programs.
(7) The impact of the tobacco tax on smoking rates and healthy living ratings relative to other states.
(8) The impact of smoking upon families and pregnancy.
(9) The costs incurred by the state as a result of:
(A) smoking during pregnancy; and
(B) smoking within families.
(10) The fiscal impact of changing existing laws regarding cigarette tax distribution.

(b) If the topics described in subsection (a) are assigned to a study committee, the study committee shall issue a final report to the legislative council containing the study committee's findings and recommendations, including any recommended legislation concerning the topics, in an electronic format under IC 5-14-6 not later than November 1, 2015.

(c) This SECTION expires December 31, 2015.

(Reference is to ESB 463 as printed April 10, 2015.)

MILLER, PAT	BROWN, T.
RANDOLPH	BROWN, C.
Senate Conferees	House Conferees

Roll Call 567: yeas 85, nays 10. Report adopted.

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Wednesday, April 29, 2015, at 10:00 a.m.

FRIEND

The motion was adopted by a constitutional majority.

OTHER BUSINESS ON THE SPEAKER'S TABLE

ENROLLED ACTS SIGNED

The Speaker announced that he had signed House Enrolled Acts 1108, 1181, 1278, 1333, 1435, 1475 and 1531 on April 28.

HOUSE MOTION

Mr. Speaker: I move that Representative Shackleford be added as coauthor of House Resolution 72.

MOED

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Clere be added as coauthor of Senate Concurrent Resolution 35.

SOLIDAY

Motion prevailed.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(c) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed 249 Bill :

Conferees: Senator Breaux replacing Senator Mrvan

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators to serve as conference committee on Engrossed Senate Bill 315:

Conferees: Smith, Chairman; and Broden
Advisors: Head and Breaux

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House President Pro Tempore David Long has made the following change in conferees appointments to Engrossed House Bill 1236:

Senator Merritt replacing Lanane as conferee

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 64 and 83 and the same are herewith returned to the House.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1350.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1388.

JENNIFER L. MERTZ
Principal Secretary of the Senate

Pursuant to House Rule 60, committee meetings were announced.

On the motion of Representative Burton, the House adjourned at 10:28 p.m., this twenty-eighth day of April, 2015, until Wednesday, April 29, 2015, at 10:00 a.m.

BRIAN C. BOSMA
Speaker of the House of Representatives

M. CAROLINE SPOTTS
Principal Clerk of the House of Representatives